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WEST EUROPE REPORT

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NUCLEAR WEAPONS STATUS ANALYZED

Athens OIKONOMIKOS TAKHYDROMOS in Greek No 49, 3 Dec 81 pp 5-6

/Article by Ioannis Marinos: "Nuclear Weapons and Greece"/

/Text/ We must clear up in our minds the burning issue of nuclear weapons in relation to the defense and survival of the Greek people.

This relentless armaments race with its apogee being the nuclear missiles of the USSR (SS-20) and of the United States (Pershing and Cruise) is certain, independent of the doubtful balance of terror (which swerves alarmingly sometimes in one direction and at other times in another), to increase the danger of nuclear reevaluation. In an important article appearing in TO VIMA (15 November 1981), Mr Ploritis reminds us of the words of the atom bomb's grandfather, Albert Einstein:

"I am baffled by the fact that there are still people who believe that armaments prevent war. Every step taken in that direction brings us even closer to disaster. Competition in armaments is the worst way to prevent war."

Armaments generally seem to be dictated by paranoic perceptions which reach the level of schizophrenia. More specifically, I recently heard Mr K. Karamanlis, president of the country, say, "Men must have become insane since all parties recognize the need to limit armaments and yet at the same time do just the opposite."

At this point it should be added that the exorbitant amounts being spent on weapons and armies surpass 500 billion dollars a year, whereas with a fraction of that amount of money tens of millions of small children as well as undernourished adult fellow-men could be saved from starvation, and the economic crisis brought about by the terrible income disparity between North and South (i.e. between rich and poor nations) could be confronted.

The uprising of almost all the peoples of West Europe against the unholy game of nuclear reevaluation of the two superpowers, with the anticipated theater of war and total destruction of the old continent, is the least reaction one could expect from public opinion which, although it cannot make decisions, can nevertheless influence those who do make them. And this uprising is finding greater and greater

support from political groups, even from conservatives. And this is something which did not leave the Americans unmoved since Secretary of Defense Weinberger himself stressed the seriousness of the phenomenon and the attention it deserves. The bad point is that public opinion of the eastern /bloc/ countries does not have similar facility. Of course, it does protest but only one-sidedly, i.e. only against American nuclear weapons with the result that unbalanced pressures against armaments of only one side are noted, whereas the other side is left alone to prepare for war. The crude and inhuman manner in which President Reagan and certain of his secretaries publicly speak of a limited nuclear war on European soil (newspapers of 11 November 1981) has caused surprise and dismay even among the traditional supporters of American patronage. The benefit for the American side is evident. In such a clash, the destruction of West Europe would not leave East Europe or European Russia unscathed, whereas the American continent would remain untouched. The USSR's natural reaction was evident. A localized nuclear war is not comprehended.

Of course, the Soviet protest which the threatened Europeans share is one-sided and misleading. The sincere peace lovers and opponents of nuclear armaments most properly turn against both the American Pershing and Cruise missiles and the Soviet SS-20 missiles. The blindness and insincerity of the peace lovers in Greece and other countries is seen in this very important issue. They reserve their anti-war attacks only for the American nuclear missiles, while pretending to ignore the fact that a similar danger threatens us from the Soviet side. I would even add that the danger from SS-20 missiles is more immediate and concrete since they are already aimed at Europe. Their target is West Europe (and Greece) exclusively. On the other hand, the Pershing and Cruise missiles are simply to be installed on European soil if the European governments agree to accept them. Of these, only the British and Italian governments have agreed to do so, if I am not mistaken. As for the Greek government (under Rallis and even more so under A. Papandreou), there is not even a question of talking about the issue. Consequently, the thousands of young people who on the occasion of the Polytechnic anniversary parade carrying banners and shouting one-sided slogans against Pershing and Cruise missiles while not uttering a word against the Soviet SS-20 missiles, either do not know what is going on or simply are agents of Moscow's interests and not of the issue of peace or nuclear disarmament. Unilateral disarmament by the West would mean certain predominance of the imperialist appetites of the East. Unless, of course, this is the goal, as Mr Mikis Theodorakis, in his usual disarming sincerity recently stated in the /West German/ periodical STERN, by maintaining the following surprising facts:

"We understand what is happening in Afghanistan. There the USSR is preventing a catastrophe similar to that which the Greek leftist movement suffered in the civil war and which would have been prevented had the Red Army invaded Greece." (STERN, last issue of October.)

Since the characterization "imperialist appetites of the East" could bother some Greek socialist ideologists and sentimentally side with Theodorakis' views, I would remind or I would inform them that in Article 10 of the introduction to the International Socialist Manifesto, the following is mentioned:

"International communism is the agent of a new imperialism. Wherever it has gained power it has abolished freedom or the possibility of gaining freedom. It is based on a militaristic bureaucracy and a terrorizing police system. So that it might produce striking contrasts between wealth and privilege it created a new class society where forced labor plays a big role in economic organization."

If this is what Mr Theodorakis would have wanted accomplished with the incursion of Russian tanks into Greece in 1945, then I think that very few would agree with his view. I believe and hope many fewer than the 11 percent of the KKE voters.

To summarize: For the sincere peace lovers and those afraid of nuclear destruction, there is the issue of the American Pershing and Cruise missiles not being installed, and at the same time the rendering of the Soviet SS-20 missiles useless (this word SS must have originated through some subconscious impulses similar to those which made Turkish generals adopt the name "Attila" for their invasion of Cyprus). This clear position adopted by most of the governments of West Europe, and especially the socialist government of France, is, we believe, the only sincere and really peace-loving one.

It is comforting to note that President Reagan, under pressure by American and especially European public opinion, has appeared to water down his proposals. As is known, he announced to Chairman Brezhnev that the United States "is ready to cancel plans for the installation of Pershing and Cruise missiles if the Soviets withdraw their own SS-20, SS-4 and SS-5 missiles." Of course, the Soviet Union, as is known, reacted violently at first and rejected the Reagan proposal, maintaining that "its acceptance would be tantamount to unilateral disarmament by the USSR" (newspapers of 19 November 1981). However, since the USSR had also been disturbed by the unanimous opposition of the Europeans against their already installed SS missiles aimed at West Europe, when Mr Brezhnev was on an official visit to Bonn he proposed unilateral reduction of SS missiles if the United States did not install its own missiles. Perhaps this is due to the fact that one-sided Soviet propaganda is not paying off very much at the expense of American missiles since even Romanian President Ceausescu (who belongs to the Warsaw Pact) asked that the Reagan proposals be studied and he once again attacked the nuclear armaments of both superpowers.

And now as far as Greece is concerned, we think that the issue of nuclear weapons on its soil must come to an end, as the new government very correctly announced. These missiles, although they will inevitably constitute immediate targets of Soviet nuclear missiles during an outbreak of hostilities with the consequence being the destruction of our country, do not appear to offer anything for our defense. The reasons are as follows:

- 1) They are in the hands of the Americans and not of the Greeks. Consequently, their use will be decided upon on the basis of American and not Greek interests. Consequently, possibly to the detriment of the latter.

2) The Americans and generally NATO are not committed to defend Greece, especially its northern regions, in case of an invasion, even a communist one, as Mr A. Papandreou has constantly complained, without ever being clearly and categorically refuted.

3) Both the United States and NATO have up to now persistently and categorically declined to guarantee the security of our frontiers to the east. This could mean that, although they do not hope it would ever happen, they nevertheless would not prevent an attack by Turkey against our country. Since, therefore, nuclear warheads do not protect Greece's security and territorial integrity, why, as the prime minister once again so logically maintained in parliament, should we welcome them on our soil, thus creating a target for Soviet nuclear reprisals or preventive attack?

Of course, we are not so naive as to believe Soviet assurances that if we were to banish nuclear weapons we would not be crushed by theirs, since such a decision would be determined by military needs of the moment in which ethics do not consequently play any role whatsoever. International agreements and guarantees have always ended up as scrap paper when interests so dictated. Since Greece is gaining absolutely nothing either way by having American nuclear warheads on its soil, but to the contrary risks destructive danger, why do we not plan for their removal? Just their presence is dangerous.

5671

CSO: 4621/91

BRIEFS

USSR CITIZENS' RESIDENCE BOMBED--A bomb went off last night at 2150 hours in the garden of the building on Kronou Street 11 and Triton Street in Palaion Phaliron. The building houses about 10 Soviet families who work at the Soviet Embassy, as well as the Soviet commercial attache. The bomb was a strong homemade explosive mechanism which left a large crater and broke many windows in the surrounding apartment buildings. A few minutes after the explosion our paper received an anonymous phone call claiming that the organization "Autonomous Resistance" was responsible for the attack. [Text] [Athen ELEFTHEROTYPIA in Greek 14 Dec 81 p 16]

CSO: 4621/116

EEC'S REPORT ON ROLE OF GAS INDUSTRY SUMMARIZED

Rome RASSEGNA PETROLIFERA in Italian 30 Oct, 6 Nov 81

[30 Oct 81 pp 846-850]

[Text] In the European Community [ECC], natural gas, given its abundance and its availability in large part as an internal resource, offers an alternative to oil derivatives as a source of energy. In the near and intermediate terms, pending the development of nuclear energy and a greater and more widespread recourse to coal, natural gas should therefore fulfill that primary role.

The current situation and the outlook for gas supplies within the Community are the subject of a report compiled by the EEC Commission, the main points of which are summarized in this and a forthcoming issue. By way of introduction, it is recalled that gas supplies underwent a rapid increase in availability owing particularly to the Groningen deposit. Consumption rose from a level of close to 7 billion cubic meters [m³] in 1958 to almost 215 billion m³ in 1980, while its share of the total energy consumed rose from 2 percent to 17 percent.

The natural gas industry came out of the difficult period that followed the oil crisis unscathed, but with its limitations sharply delineated by the crisis. The demand for gas, seen as a valid alternative to oil, was favored by its substantial price difference with respect to fuel oil. The economic competitiveness of natural gas having its origin in the industry's type of contracts and in its tariff structure is however not likely to continue for very long, in that difficulties are already being experienced in that sector in keeping up with the rise in consumption. This is particularly true if one considers that some imports which had been planned for the 1980's and which had already been placed on order do not presently appear certain to be forthcoming (this is the case of Algerian supplies to France and Italy). The EEC report tries to evaluate the real possibilities offered by natural gas, and the limitations and problems that loom in the path of its future development. Until now, the growth in gas supplies within the Community has depended mainly on the existence of internal deposits that 20 years ago held recoverable reserves of some 250 billion m³ inclusive of those in countries that later joined the ECC. The annual reserves-to-production ratio [R/P] was then equal to 36, owing to low production levels. Despite a doubling of production in 1963, estimated recoverable reserves had risen to 1,500 billion m³ (of which over 65 percent was in the Netherlands) and the R/P to 94.

From then until 1979-1980, despite the discovery of various small- to medium-size deposits and in correlation with an increase in production levels, recoverable reserves rose to 4,200 billion m³ in 1972, then dropped to 3,200 m³ with an R/P drop to 18-20. Against this background, an increase in production within the EC appears unlikely and the supply of natural gas appears to have entered a phase of consolidation at a high level. Table A shows an overall evaluation of EC gas-reserves estimates obtained from various sources. Conservative estimates of recoverable reserves as of the year 2000 place the R/P then at 28-34. Assuming an annual production level of around 200 billion m³, the R/P is 25-27, which in 1990 is expected to drop to 13-15. The estimates of possible reserves vary widely depending upon the source; for example, the United Kingdom considers possible reserves as including only those deposits that have been discovered but whose size and economic producibility have not yet been proven, while Germany includes deposits that have not yet been discovered but which are geologically presumed to exist. A conservative total of the estimates of total recoverable reserves comes to around 4,800 billion m³, while according to other sources, presumed reserves amount to 7,800 billion m³, of which 3,050 m³ are possible (no date by which these quantities would become available is specified). The largest reserves are reported by the Netherlands and the second largest by the United Kingdom, with presumed totals (almost double proved reserves in the case of Netherlands) very close to each other, while the levels reported by the other countries are much more modest. Italy and France in particular show a consistency of limited reserves as compared with the other countries, even as regards their projections of probably recoverable reserves, where the other countries show substantial jumps. From the standpoint of production, as has been indicated, a gradual decline in the natural gas contribution to be made from internal sources is foreseen in order to preserve ECC reserves. In the theoretical case of annual production levels of 200 billion m³ in 1995, the R/P would drop below 10. By that date, however, even assuming full exploitation and use of demonstrated reserves, production would still have to be reduced.

According to estimates by the member countries, compared to a production total of 133 billion m³ in 1980, maximum production of 185 billion m³ is foreseen for 1985 and around 178 billion m³ for 1990. In fact, natural gas production growth, which had slowed in recent years, came to a virtual standstill in 1976, and began a downtrend in 1978. Even ascribing the cause to a general slowdown or standstill in the economic growth of the Community, the fact is that not even in the event of major successes resulting from further prospection can greater productive contributions with respect to current levels be expected from the EC's internal resources. Estimates of productive increases to 200 billion m³, maintenance of that level until the middle of the following decade and a drop thereafter to around 100-150 m³ by the year 2000 must be considered optimistic. Table B shows the growth of gas consumption and gas production forecasts in the various countries of the ECC. As has been mentioned, after a period of overall growth until 1973-1974, there was a slowdown, then a stabilization in 1976-1977, and then a decline in 1978. In terms of outlook, after a slight recovery in 1980, a decline is projected for 1990 to levels around those of 1978. The largest contribution has been and will continue to be the Dutch one (around 50 percent), although with planned future containment, while British production should (with the availability of its North Sea deposits) maintain the current positive trend since the

1970's or, in the pessimistic case, the levels estimated for 1980, and Italian production, initially the largest, has remained, with modest increases, around 1970 levels, which except for 1976 were 15-16 billion m³ annually. The policy of conservation of proved reserves will lead to a containment of future production at around 13 billion m³. In terms of consumption, on the other hand, there has been continuous growth, even though at lower growth rates, to the 1980 level of around 240 billion m³, with a natural gas contribution to the coverage of the primary energy demand within the EEC of somewhat over 17 percent.

Consequently, the rise in consumption has been made possible by the importation of gas from third countries, which will increase in volume over the next several years, during which a further growth in the demand for gas within the EEC is foreseen in the face of declines in its productive contribution. Table C provides an overview of contract agreements drawn up to date. The first contract, with Algeria, dates back to 1962, when the potential and sizes of the Groningen and North Sea deposits had not yet been proved. Beginning in 1969, after a pause of 6 years following the ascertainment of these unknowns, and each year thereafter, one or more long-term contracts were signed for the importation of natural gas into Europe. The volume of imports will total 97 million tons of oil equivalent, equal to 126 billion m³ referred to the quality of Groningen gas. This volume should be reached in the second half of the 1980's and more or less maintained until 2000. The EEC study includes also the Iranian contract with France and Germany, although it is not known whether it will be honored since it has not been officially revoked. The EEC's major supplier is Algeria (around 45 percent of the total), thanks to its contracts with Germany and Italy, followed by the Soviet Union (supplying 50 percent of Germany's imports) and Norway (with a distributed supply pattern although in a larger proportion to Germany and England). Imports from Libya concern only the Italian market. The evolution of natural gas imports to and including the year 1990 is shown in Table D for the various EEC countries. As shown by comparing the quantities covered by present contracts with objectives for 1985, the maximums covered by these contracts will not be reached until that year. The forecast of imports from third countries, however, shows a maximum requirement of 156 billion m³ by 1990, which underscores the need for new contracts or the extension of current ones to cover an additional volume of 30 billion m³ annually. Table D indicates that the sharpest rise in imports should occur between 1980 and 1985, concentrated in Germany, France and Italy (almost doubling), with a further rise in 1990 centered mostly in France. It also shows that the principal rises heretofore have come in 1978 (mainly in Germany) and 1980 (Germany and France). There will be a rapid rise in consumer dependency upon gas within the EEC and hence in the share of the EEC's total gas consumption that must be made up by imports. The ratio of natural gas imports to total consumption went from 2 percent in 1970 to 19 percent in 1978 and is estimated to be 26 percent in 1980, 40-42 percent in 1985, and 46-47 percent in 1990. Considering the geographical position of the potential gas-exporting countries to Europe and the quantities available to them for shipment abroad after covering their own domestic needs, one arrives at the figures shown in Table E. Since between 1980 and the year 2000, around 4,500 billion m³ will have to be imported, the reserves shown are adequate to satisfy this demand, even assuming substantial rises in the domestic demands of the potential exporting countries. This assumes, however, that the vast sums of money and the dedicated political and industrial efforts needed to develop the deposits and transport the gas to the place of consumption will be forthcoming.

Nuclear Safety: Uniform Standards for Light-water Reactors

The European Commission has addressed to the Council a document relative to safety standards for light-water reactor power plants. This document has as its framework of reference the resolution of the Council of 22 July 1975 which recommends a progressive standardization of nuclear safety requirements and criteria. During the studies aimed at inventorying the methodologies, criteria and standards used in the various member countries, and at identifying similarities and differences, it became clear that a specific overall standardization must be based on a preliminary effort to standardize the basic principles of safety upon which design specifications and criteria are dependent.

The mentioned document is intended to respond to this need. It lays down a set of principles and an outline for the safety requirements and criteria to which these principles give rise. These are set forth for light-water reactor plants but can in general also be applied to other types of nuclear power plants. The document does not seek to impose the manner in which its indicated objectives are to be achieved. Limiting itself to the radiological aspects relative to human health, it enunciates the following fundamental safety principles:

- 1) Nuclear power plants must be installed, designed, built, tested, operated and declassified in a manner providing reasonable guarantees that they will not expose the workers, the population or the environment to excessive risk.
- 2) Steps must be taken to guarantee that radioactive materials present in installations are properly confined.
- 3) The diffusion of radioactive materials must be reduced to the extent reasonably possible.
- 4) Adequate steps must be taken in the design, operation and declassification of installations to guarantee that exposure to ionizing radiations is reduced to the extent reasonably possible.
- 5) Individual absorbed doses must always remain within prescribed limits. Moreover, individual and collective doses received by the personnel working within the site and by the public must be reduced to the extent reasonably possible at all stages of the operation of the nuclear plant.
- 6) The prevention of accidents and the attenuation of their effects are of capital importance: The more serious may be the potential effects of accidents, the more rigid must be the requirements to prevent the factors that may give rise to such accidents. Moreover, such accidents as may occur require that adequate protective measures be provided to confine their radioactive products. This need to prevent any accident and to reduce to a minimum the radiological effects of any that does occur entails the following provisions:
 - a) The design, construction and operation of the power plant must guarantee a margin of safety that is proper for a normal operation, avoid operational abnormalities in its systems, and minimize the sensitivity of the installation to operational abnormalities, malfunctions and errors.

b) The plant must be designed, constructed and operated in such a way as to be able to identify any condition that deviates from normal and to prevent any minor accident from developing into a more serious one.

c) Equipment that can be relied upon, as well as operational and organizational provisions, must be put in place to deal with any internal or external occurrence within the realm of credibility or any combination of such occurrences as may be within the realm of credibility. This requires the ability to halt and to limit the diffusion of radioactive substances.

d) Emergency plans (internal and external to the site) must be in place.

The Commission then refers to a series of problems in regard to the reliability of safety barriers or systems, which must be addressed from the standpoints of testing and of maintenance of their key fail-safe components.

The methods used in this regard must include suitable combinations of physical and of administrative protective measures.

The personnel must be sufficiently trained and experienced to carry out the functions they are called upon to perform.

Lastly, the structures, systems and key components of the safety provisions must not be common to various sectors installed on the same site, unless it can be demonstrated that an accident occurring in one of the sectors will have no bearing whatever on the emergency shutdown of, or the cooling of and residual heat extraction from the other sector.

[6 Nov 81 pp 870-873]

[Text] In this issue we conclude the analysis of the natural gas supply situation in the EEC, as derived from the condensation of a detailed report by the European Commission. Table F provides figures relative to the evolution of gas consumption in the various European countries and estimates and forecasts for the current decade. Overall, four distinct time periods emerge: 1965-1968 with modest increases in demand (concentrated in Italy); 1968-1974 with sustained growth over the years involved; 1974-1978 with limited and declining growth rates; and 1978-1990 with recovery of consumption particularly accentuated in 1980, significant in 1985 and rather modest (in the minimal hypothesis) in 1990. With respect to the situations of the individual countries, the following observations are in order: Belgium does not anticipate any national production of gas until 1990, relying for its supply until then on Dutch sources and on imports from third countries.

Beginning in 1980, imports from third countries (Norway, gas from Ekofisk) will increase rapidly, rising in 1982 by way of liquefied natural gas from Algeria and reaching close to 10 billion m³ in 1985. Concurrently, imports from the Netherlands will decrease to 5-6 billion m³ annually, and to 4-6 billion m³ in 1990, at

which time, to meet increased demands estimated at 16-18 billion m³, supplies from third countries would total around 13 billion m³. Belgium's dependence on imports from third countries would then rise from the 1980 level of 23 percent to 52/65 percent in 1985, 62/67 percent in 1990 and 100 percent after 1995. Denmark currently has no source of natural gas of its own, inasmuch as quantities initially discovered in the Danish sector of the North Sea appeared modest. Based on new calculations as to the size of its reserves and assuming reasonably successful results from the necessary drillings, the government foresees a production level of 3.5-4.5 billion m³ by 1985-1990. In Germany, its annual rate of demand growth of 10 percent in 1978-1980 will decline rapidly to around 4 percent by 1985 and to 1 percent by 1990 against consumption levels of 81-83 and 83-88 billion m³ respectively.

The current level of internal production will remain unchanged until 1985, with a drop to 18 billion m³ in 1990, and a decline in the ratio of internal production to total consumption from 32 percent in 1980 to 23 percent in 1985 to 20-22 in 1990.

Therefore, imports from nonconsumer countries will grow from 14 billion m³ in 1978 to 23 billion m³ in 1980 to 40-42 billion m³ in 1985 and 43-48 billion m³ in 1990.

The relative ratio of imports to total demand will peak at 50-55 percent during the current decade. In France, its modest internal production of 8 billion m³ is expected to drop by half by 1990, and its contribution to total internal consumption to only 9 percent by then.

Concurrent with the decrease in contractual supplies from the Netherlands after 1985, France will have to increase substantially its imports from third countries: In 1985 to more than double its 1985 figure of 12 billion m³ and to almost four times that figure (42 billion m³) in 1990.

The French market's demand for gas will increase by 50 percent during the 1980-1985 five-year period (from 30.8 to 44.5 billion m³) at an average annual growth rate of 7.6 percent, and more containedly thereafter (2.9 percent annually to 51 billion m³ in 1990). The figures given in the table show French gas consumption levels lower than but of the same order of magnitude as the Italian ones until 1978, and almost identical ones in 1980, but an overtaking thereafter. In Italy, in fact, after a period of stabilized consumption (beginning in 1976), a recovery by 1985 is foreseen, followed by a modest increase during the succeeding 5 years. Its national production will peak at around 13 billion m³ per annum. Thus, our country will also have to resort increasingly to gas imports from third countries to cover our internal needs, and this brings the new and forthcoming Algerian supplies into the picture.

By 1985, such imports will supply close to 57 percent of our demand, probably going to 60 percent by 1990. Italy, which in 1965-1970 was the leading consumer of gas among the consumer countries, will in the future drop to fifth place.

Luxembourg's consumption, present and future, is supplied entirely from Dutch sources, while in Ireland, which has no supply networks whatever and only modest internal proved gas reserves, its production at minimal levels is aimed at only two industrial complexes. The Netherlands is the only EEC country that does not anticipate an increase in its domestic consumption over the next several years beyond a level of 43-45 billion m³ a year. Its planned reduction of the use of gas in nonpreferential sectors will reduce the contribution of natural gas to its total energy consumption.

The high level of production it attained in 1980--94 billion m³ (around double its domestic consumption)--is attributable to supply contracts with other EEC countries.

The future, however, will see a decrease in its supplies to other countries from a maximum of 54 billion m³ in 1977 (46.7 percent of the total consumption in the importing countries) to 45-46 billion m³ in 1985 and 38-40 billion m³ in 1990. In this case also, to maintain national reserves and meet contractual obligations, gas imports from third countries were started in 1977-1978 that will attain 8-9 billion m³ in 1985-1990, with dependence upon the market growing from 8 percent in 1980 to 19-20 percent. Lastly, in Great Britain, the rise in national gas consumption began late with respect to the other countries. Future productive developments are therefore linked to the exploitation of deposits that are as yet untapped, and government objectives call for attaining 45-65 billion m³ in 1985-1990. Crucial to one of its alternatives seems to be the actualization of collectors for natural gas deposits that isolatedly are not economically productive.

The EEC report, addressing the cited consumption figures, emphasizes that known world reserves guarantee, from a quantitative standpoint, coverage of the demand. However, consideration must be given to the eventual synthesizing of natural gas from raw materials and gas for the long term as well. Raw materials that can be used for such synthesis include light hydrocarbons (naphtha and LPG) heavy oils (residuals) or coal (including lignite), of which in reality the latter is the sole choice to avoid tapping oil reserves and increasing European dependence on the producers of crude.

However, owing to the high cost of producing synthetic gas from coal on a vast scale, this solution can only be brought about gradually, and initially the gas produced is expected to be of poor quality, low heating power and used mainly, for example, to produce steam. Part of the natural gas requirement could be covered by LPG's (liquefied petroleum gases: propane and butane mixtures obtainable as products of the crude refining process or from the extraction of crude and natural gas). In the first case, the fraction obtainable from refining is very small, ranging from 2.1 percent in Europe to 1.6 percent in the United States and 1.3 percent in the Soviet Union. Much greater, on the other hand, is the contribution from hydrocarbons extractive operations, which in the United States, for example, covered 65 percent of its LPG needs in 1977 (7 percent in Europe). The growing role of LPG in Europe is linked both to North Sea production and to the availability of gas that until now has gone virtually unused in the Middle Eastern oil producing countries.

Table G is an LPG balance sheet on a worldwide scale, showing a considerable future surplus, owing particularly to availabilities from Saudi Arabia. Such surplus could be absorbed by Europe, given its interest in Algeria and the Middle East, if the necessary plants were installed in the productive centers and the required infrastructures in the consumer countries.

In any case, the indicated heavy dependence of the European market for natural gas upon imports from third countries will require sizable investments in the transport and stockpiling phases, the latter owing to the nonuniform nature of the demand cycle. For the transport of the gas within the EEC, the existing gas pipeline network will have to be beefed up; whereas the supply from third countries will have to come in the form of liquefied natural gas [LNG] aboard special-purpose methane tanker ships.

Table H outlines EEC plans relative to LNG. EEC capacity for stockpiling supplies went from 10 billion m³ to 20.3 billion m³ in 1978 and is now tending toward 30 billion m³, equal to around 10 percent of the annual consumption forecast for 1985. By comparison, the United States already has available a stockpiling capacity equal to 25 percent of its annual consumption. Among European countries, the available capacity, obtained in large part from exhausted gas deposits, is mainly in Italy with over 9 billion m³ (close to 30 percent of its annual consumption), while Germany ranks last (6 percent). Table I details the gas stockpiling situation, with particular reference to the maximum foreseeable daily quantities. The indicated EEC level of 204 billion m³/year is equal to 35 percent of the demand, a figure that exceeds 95 percent in France, 80 percent in Italy and 40 percent in Germany.

Table A - EEC Natural Gas Reserves (10^9 m^3)

	Paese	Riserve accertate sicuramente estraibili attualmente	Riserve accertate, sicuramente o probabilmente estraibili	Riserve accertate, sicuramente probabilmente estraibili	Riserve estraibili fino al 2000	Riserve totali (presunte) il cui ricupero è possibile
	(1)	(2)	(3)	(4)	(5)	(6)
(7)	Repubblica federale di Germania	178	296	496	-	615
(8)	Francia	184	133	133	-	420
(9)	Italia	227	207	207	-	495
(10)	Paesi Bassi	1756	2300	2397	-	2935
(11)	Belgio	-	-	-	-	-
(12)	Lussemburgo	-	-	-	-	-
(13)	Regno Unito	765	1081	1443	-	2360
(14)	Irlanda	28	32	32	-	130
(15)	Danimarca	71	110	47	-	850
(16)	Comunità	3209	4150	4755	5500-6000	7805

Key:

- | | |
|---|---------------------|
| 1. Country. | 8. France. |
| 2. Proved Reserves Certainly Recoverable Presently. | 9. Italy. |
| 3. Proved Reserves Certainly or Probably Recoverable. | 10. Netherlands. |
| 4. Proved Reserves Certainly Probably Recoverable. | 11. Belgium. |
| 5. Reserves Recoverable Until 2000. | 12. Luxembourg. |
| 6. Total Reserves (Presumed) Possibly Recoverable. | 13. United Kingdom. |
| 7. Federal Republic of Germany. | 14. Ireland. |
| | 15. Denmark. |
| | 16. EEC. |

Table B - Evolution and Forecasts of Natural Gas Production
Within the EEC Until 1990
(10 6m - 35,162 kJ)

Year (1)	D (2)	F (3)	I (4)	NL (5)	B (6)	L (7)	UK (8)	DK (9)	Irl. (10)	Community (11)
1965	3202	5449	6452	1780	82	-	200	-	-	19165
1966	3662	5472	9550	3441	63	-	193	-	-	22581
1967	4739	5867	10176	7087	65	-	691	-	-	28624
1968	6837	5850	11336	14171	65	-	2432	-	-	40711
1969	9189	7229	12994	22001	68	-	5910	-	-	57291
1970	13022	7699	14311	37710	54	-	12456	-	-	79292
1971	15716	8017	14581	43836	51	-	21704	-	-	102905
1972	18227	8316	15454	58480	51	-	29875	-	-	130403
1973	19876	8341	16691	71116	54	-	32338	-	-	148436
1974	20567	8427	16660	84348	60	-	39010	-	-	169072
1975	19054	8205	15881	90852	51	-	40538	-	-	174581
1976	19222	7920	17061	97303	34	-	43135	-	-	184675
1977	19137	8501	14962	96906	37	-	45071	-	-	184614
1978	21622	8785	14780	88718	42	-	42293	-	-	175240
1980(*)	21000	8000	13700	94000	-	-	45488	-	1170	183358
1985(*)	19100	7200	13000	82500	-	-	45488/58484	3509	1430	172127/185123
1990(*)	18000	4600	13000	71250	-	-	45488/64982	4549	1430	158317/177811

(12)*) Provisions dealt State membri.

Key:

- | | |
|---------------------------------|---------------------------------|
| 1. Year. | 7. Luxembourg. |
| 2. Federal Republic of Germany. | 8. United Kingdom. |
| 3. France. | 9. Denmark. |
| 4. Italy. | 10. Ireland. |
| 5. Netherlands. | 11. EEC. |
| 6. Belgium. | 12. Forecasts by member states. |

Table C - Firm Natural Gas Import Contracts With Third Countries

(3)	(1)		(2)												TOTALE			
	Paesi esportatori		ALGERIA			URSS			NORVEGIA			IRAN			LIBIA			d)
	a)	b)	c)	a)	b)	c)	a)	b)	c)	a)	b)	c)	a)	b)	c)	a)	b)	
(4)	10 ⁹ m ³	10 ⁶ tep	fine (7)	10 ⁹ m ³	10 ⁶ tep	fine (7)	10 ⁹ m ³	10 ⁶ tep	fine (7)	10 ⁹ m ³	10 ⁶ tep	fine (7)	10 ⁹ m ³	10 ⁶ tep	fine (7)	10 ⁹ m ³	10 ⁶ tep	10 ⁹ m ³
(5)	Contratti																	
(8)	0	4,0	3,9	2004	3,7	3,1	2000	3,1	2,8	1997	5,5	4,6	2004					
		5,5	5,4	2004	4,5	3,6	2000	4,9	4,5	1997								
		5,5	5,4	2004	2,5	2,1	2000	5,7	4,6	1998								
		14,0	13,7		10,7	9,0		9,7	8,9		5,5	4,6				35,9	36,2	47,2
(9)	F	2,5	0,5	1950	2,5	2,1	2000	2,03*	1,9	1997	3,06	3,1	2004					
		3,5	3,4	1998	1,5	1,3	2000	1,05	1,0	1997								
		5,5	5,4	2004	4,0	3,4		0,17	0,2	1998	3,95	3,1				20,06	18,3	24,6
(10)	I	12,2	10,6	2000	6,0	5,0	2000											
		12,2	10,6		1,0	0,8	2000											
		5,5	5,4	2004	7,0	5,0										22,2	18,9	24,5
(11)	T																	
		2,5	5,4					1,23	1,0	1997								
		2,5	5,4					1,05	1,0	1997								
		5,0	4,9	2002				0,17	0,2	1998						7,95	7,6	9,9
(12)	S/L							1,63	1,4	1997								
								1,05	1,0	1997								
		5,0	4,9					0,17	0,2	1998								
(13)	UK							2,25	2,0									
		1,0	1,0	1980				9,5	8,3	1997								
		1,0	1,0					9,5	8,2									
(14)	COV	45,85	44,6	57,2	21,7	18,2	25,0	27,75	25,0	32,5	9,16	7,7	10,9	3,0	2,5	107,5	98,0	127,3
(15)	*) Di cui 0,4 ceduti dai Paesi Bassi.																	
(16)	**) Le cifre inferiori non comprendono 1 x 10 ⁹ del contratto UK-Algeria venuto a termine nel 1980.																	

Key:

1. Exporting Countries [horizontal].

2. Norway.

3. Importing Countries [vertical].

4. Quantities.

5. Durations of contracts.

6. 10⁶ tons equivalent oil.

7. To [year].

8. Federal Republic of Germany.

9. France.

10. Italy.

11. Netherlands.

12. Belgium/Luxembourg.

13. United Kingdom.

14. EEC.

15. *Of which 0.4 ceded by Netherlands.

16. ** Lower figures do not include 1 x 10⁹ of the UK-Algeria contract ended in 1980.

Table D - Evolution of Natural Gas Imports from Third Countries to EEC until 1990
(in 106 m³ - 35,162 kJ)

Anno (1)	D (2)	F (3)	I (4)	NL (5)	B (6)	UK (7)	DK (8)	Comunità (9)
1965	-	233	-	-	-	777	-	1010
1966	-	458	-	-	-	762	-	1220
1967	-	543	-	-	-	916	-	1459
1968	-	489	-	-	-	1189	-	1678
1969	-	654	-	-	-	1249	-	1903
1970	-	660	0	-	-	998	-	1658
1971	-	589	37	-	-	995	-	1621
1972	-	896	1573	-	-	918	-	3387
1973	387	1843	2176	-	-	881	-	5287
1974	2338	2306	2747	-	--	732	-	8123
1975	3390	2844	4937	-	-	1004	-	12175
1976	4354	3509	7863	-	-	1152	-	16878
1977	6621	3515	10093	290	293	2002	-	22814
1978	14425	5273	11580	1760	1562	5688	-	40288
1979	18005	6458	12664	2500	2050	10153	-	51830
1980 (2)	23300	12100	10800	3500	3205	11700	-	64606
1985 (1)	46500	24000	24600	9900	10200	10800	-	126000
1985 (2)	40000-42000	27100	24600	8400	10007	13000	-	123107-125107
-1990 (2)	42900-48000	42100	24600-29200	9200	10007-13516	13000	650	124457-155600

(10) (1) Contratti di importazione.

(11) (2) Stime degli Stati membri.

Key:

- | | |
|---------------------------------|--|
| 1. Year. | 7. United Kingdom. |
| 2. Federal Republic of Germany. | 8. Denmark. |
| 3. France. | 9. EEC. |
| 4. Italy. | 10. (1) Import contracts. |
| 5. Netherlands. | 11. (2) Estimates by member countries. |
| 6. Belgium. | |

Table E - Worldwide Proved Recoverable and Potential Reserves
of Potential National Gas Exporting Countries
to Europe (109 m³)

Paese (1)	Riserve accertate (2)	Riserve possibili (3)
Norvegia (4)		3.300
Unione Sovietica	680	68.000
Algeria	25.772*)	22.600
Libia	2.974	1.350
Nigeria	685	3.500
Iran	1.189	24.340
Arabia Saudita	14.160	7.160
Iraq	2.659	3.780
Quatar e Emirati arabi riuniti (5)	787	9.230
Kuwait	1.741	
Canada	886	2.400
Messico (6)	1.671	15.460
	906	3.230

(7)*) La cifra dell'Unione Sovietica non presenta lo stesso grado di sicurezza delle altre cifre riportate nella colonna (vedi nota per la Tabella 7)

Key:

1. Country.
2. Proved Reserves.
3. Potential Reserves.
4. Norway.
5. Qatar and United Arab Emirates.
6. Mexico
7. *) The figure for the Soviet Union is not known to be as reliable as the other figures quoted in this column (see note for Table 7 [as published]).

Table F - Evolution of Gross Internal Consumption of Natural Gas in the EEC
(in 106 m³)

Year (1)	G (2)	F (3)	I (4)	N ₂ (5)	E (6)	L (7)	UK (8)	DK (9)	Yr. (10)	Community (11)
1965	3236	5455	8387	1745	82	-	978			19853
1966	3910	5708	9157	3308	151	-	953			23187
1967	5079	6504	10002	5972	574		1607			29738
1968	8392	7827	11691	9849	1399		3623			42781
1969	11834	9536	12917	14476	2878	3	7061			58705
1970	16759	12870	14032	20408	4522	14	13458			80063
1971	22200	12892	14353	26403	6234	20	21702			103804
1972	28456	15266	16654	34161	7861	151	30791			133540
1973	35663	17900	18821	37705	9510	287	33220			153106
1974	43179	18679	21122	40478	11074	387	39741			174660
1975	45423	20840	24154	41544	10784	455	41545			184805
1976	47659	22396	29221	43421	11512	530	44286			199015
1977	50722	24094	29020	42870	11379	549	47074			206598
1978	54923	25445	29094	43095	11279	600	47981			212457
1980	66600	30800	31000	43600	13904	715	57188	-	1170	244970
1985	81300/83300	44500	43300	44400	15466/16245	775	58488/71484	3509	1430	293168/308943
1990	82900/88000	51200	43300/48700	45000	16115/17505	900	58488/77982	5199	1430	304532/336212

Key:

1. Year.
2. Federal Republic of Germany.
3. France.
4. Italy.
5. Netherlands.
6. Belgium.
7. Luxembourg.
8. United Kingdom.
9. Denmark.
10. Ireland.
11. EEC.

Table G - Worldwide LPG Balance Sheet (10⁹ m³)

	1977	1980	1985
Kuwait	1,2	4,5	4,5
Arabia Saudita	4,5	7,0	15,0
Abu Dhabi	0,0	0,8	3,8
Iran	0,8	2,4	5,0
Qatar	0,0	0,5	0,7
Dubai e altri (1)	0,0	0,2	2,0
Stati del Golfo (2)	6,5	15,4	31,0
Algeria	0,3	2,0	5,0
Libia	0,4	0,5	1,0
Nigeria	0,0	0,0	0,5
Africa	0,7	2,6	6,5
Australia	1,3	1,3	1,2
Indonesia	0,2	0,4	0,6
Canada	0,2	0,2	0,2
Estremo Oriente (3)	1,7	1,9	2,0
Venezuela	1,1	1,2	2,0-2,5
Messico (4)	0,0	0,7	1,5
America Latina	1,1	1,9	3,5-4,0
Mare del Nord (5)	0,0	2,3	4,4
Produzione mondiale senza i paesi a commercio di stato (6)	10,0	24,1	47,4-47,9
Importazioni USA (7)	1,3	1,0-7,1	13,3-19,3
Importazioni giapponesi (8)	7,2	8,0-10,0	14,5-22,0
Altre importazioni (9)	1,5	2,0	2,0
Totale importazioni (10)	10,0	11,0-19,1	29,8-43,3
Eccedenza (11)	-	5,0-13,1	4,6-17,6

Key:

- | | |
|--|----------------------|
| 1. Dubai and others. | 7. U. S. imports. |
| 2. Persian Gulf States. | 8. Japanese imports. |
| 3. Far East. | 9. Other imports. |
| 4. Mexico. | 10. Total imports. |
| 5. North Sea. | 11. Surplus. |
| 6. World production not including countries whose trade is state-owned and controlled. | |

Table H - Status of LNG Plans Involving the EEC

Percorso (1)	Inizio (2)	Durata n° di anni (13)	Partecipanti (3)	Quantità annua (Mgd di m³) (4)	
Algeria-UK (Arzew-Canvey Island)	1964	15	Sonatrach/BGC Conch International	1,1) (5)) Contratti
Algeria-Francia (Arzew-Le Havre)	1965	25	Sonatrach/Gaz de France	0,6) attual-) mente in
Libia-Italia (Marsa el Braga- La Spezia)	1969	20	ESSO-Libya/SNAM	2,5) corso)
Algeria-Francia (Skikda-Fos-sur-Mer)	1973	25	Sonatrach/Gaz de France	3,5)))
Algeria-Francia (Skikda-Fos-sur-Mer)	1980	20	Sonatrach/Gaz de France	5,2) (6)) Contratti
Algeria-Belgio (Arzew-Zeebrugge)	1982	20	Sonatrach/Distrigaz	5,3) stipulati,)
Algeria-Germania (Arzew-Wilhelmshaven)	1984	20	Sonatrach/Ruhrgas/ Salzgitter Ferngas	5,5) (7)) progetti) in
Algeria-Paesi Bassi (Arzew-Femshaven)	1984	20	Sonatrach/Gasunie	5,5) prepara-) zione
Algeria-Germania (Skikda-Wilhelmshaven)	1984	20	Sonatrach/Thyssengas/ BEB	4,0))
Algeria-Germania (Skikda-Wilhelmshaven)	1984	20	Sonatrach/Deutsche BP	4,5))
Nigeria-Europa Occ. o USA	1984	?	Governo nigeriano (10) Royal Dutch, Shell BP, Philips Petrol.	7,5) (12)) progetti) probabili
URSS-USA/Francia	(11) Verso 1985	25	Brown & Root Inc. Teneco Inc. Texas Eastern Gaz de France	(16,5) (USA) 5,5)))
Iran-Paesi Bassi	1985	?	Verolme	11)

Key:

1. From-To.
2. Beginning [year].
3. Participants.
4. Annual quantities (billions of m³).
5. Contracts currently in effect.
6. Contract agreements.
7. Plans in preparation.
8. Netherlands.
9. Western Europe.
10. Nigerian government.
11. Toward 1985.
12. Probable plans.
13. Duration (years).

Table I - Status of Natural Gas underground Storage Facilities
at Year-End 1978

Paese o regione (1)	Località (2)	anno (3)	tipo di impianto (4)	capacità globale prevista (5) 10 ⁶ di m ³	prelievo massimo giornaliero (6) 10 ⁶ di m ³
Repubblica federale di Germania					
Impianti in servizio (7)					
Amburgo (30)	Reitbrook Bergedorf	1974	ex-giacimento petrolifero (12)	230	4,0
Bassa Sassonia (8)	Huntorf Wesermarsch	1975	cavità salina (13)	90	2,7
Haviera (9)	Woltersberg	1973	ex-giacimento di gas (14)	535	4,8
Haviera (9)	Bierwang Grünthal	1977	" "	1000	11,3
Bassa Sassonia (8)	Engelbostel-Schulemb.	1973	falda acquif. (15)	200	1,9
Assia (10)	Hähnlein-Gernsheim	1969	ex-giacimento di gas (14)	235	3,7
Haviera (9)	Eschenfelden Königst.	1974	falda acquif. (15)	109	1,5
Bassa Sassonia (8)	Uplward-Emden	1977	cavità salina (13)	251	2,7
" "	Epe I Wessum	1976	" "	465	22,0
Assia (10)	Darmstadt	1973 (15)	falda acquif.	200	3,0
Baden Württenb.	Stuttgart	1971	criog. GNL (16)	17	1,5
Schleswig-Holstein	Kiel	1974	cavità salina (13)	50	0,1
Haviera (9)	Pliening I	1967 (15)	falda acquif.	56	0,2
Renania del Nord (11)	Nievenheim	1976	criog. GNL (16)	14	2,0
Totale R.f. di GERMANIA				3452	61,4
Francia					
Regione di Parigi (17)	Beynes sup.	1972	falda acquif. (15)	350	4,0
" "	St. Illiers	1965	" "	1230	15,0
Arteria dell'Ovest (18)	Chemery	1968	" "	2520	22,0
" " Est (28)	Velaines s/Amance	1970	" "	1190	12,0
Regione di Parigi (17)	Gournay s/Aronde	1976	" "	390	3,0
" "	Beynes Profond	1975	" "	240	1,5
Centro-est (19)	Tersanne	1970	cupo (20)	120	1,5
Lande	Lussagnet	1957	falda acquif. (15)	1300	8,3
Totale FRANCIA				7340	67,3

Key:

1. Country or region.
2. Locality.
3. Year.
4. Type facility.
5. Total planned capacity-10⁶ m³.
6. Maximum daily withdrawal-10⁶ m³.
7. Facilities in service.
8. Lower Saxony.
9. Bavaria.
10. Hessen.
11. North Rhine.
12. Ex-oil deposit.
13. Ex-saltworks pit.
14. Ex-gas deposit.
15. Ex-water bed.
16. LNG cryogenic facility.
17. Paris region.
18. "West Artery".
19. East central region.
20. Salt dome.
21. Ex-mine.
22. Facilities under construction.
23. Ex-natural gas deposit.
24. Ex-coal mine.
25. Total planned installations.
26. East Flanders.
27. Antwerp.
28. "East Artery".
29. Rhine-Palatinate.
30. Hamburg.
31. LNG.
32. Planned facilities.

[Continued next page]

Table I - Status of Natural Gas Underground Storage Facilities
at Year-End 1978 [contd]

Paese o regione	Località	anno	tipo di impianto	(5) capacità globale prevista 10 ⁶ di m ³	(6) prelievo massimo giornaliero 10 ⁶ di m ³
(1)	(2)	(3)	(4)		
<u>Italia</u>					
Lombardia	Brugherio	1966	ex-giacimento di gas(14)	1560	11,5
Lombardia	Sergnano	1965	" "	2700	50,0
"	Ripalta	1967	" "	1200	1,5
Emilia Romagna	Cortemaggiore	1964	" "	1560	1,3
Basilicata	Ferrandina	1977	" "	1900	1,0
"	Pisticci	1977	" "	460	1,0
Totale ITALIA				9380	66,3
<u>Belgio</u>					
Hainaut	Anderlues	1977	ex-miniera(21)	50	1,0
Flandria Orientale(26)	Zeebrugge	1978	GHL(31)	75	8,4
Totale BELGIO				125	9,4
Totale impianti in servizio(7)				20297	204,4
<u>Impianti in costruzione(22)</u>					
<u>Italia</u>					
Emilia Romagna	Cortemaggiore	1981	ex-giacimento di gas naturale(23)	100	1,7
Lombardia	Ripalta	1984	" "	740	3,0
Emilia Romagna	Minerbio	1986	" "	3430	30,0
Totale ITALIA				4270	34,7
<u>Belgio</u>					
Anversa(27)	Heibaert	1982	(15) falda acquif.		
<u>Regno Unito</u>					
East Yorkshire	Hornsea	1978	(13) Cavità salina	187	4,5
<u>(32) Impianti progettati</u>					
<u>Repubblica Federale di Germania</u>					
Bassa Sassonia(8)	Epe II Wessum Graes		(13) Cavità salina	1238	22,0
<u>Belgio</u>					
Hainaut	Ressaix	1980	(24) Ex miniera di carbone	200	3,0
Totale delle installazioni in progetto(25)				1438	25,0

Key:

1. Country or region.
2. Locality.
3. Year.
4. Type facility.
5. Total planned capacity-10⁶ m³.
6. Maximum daily withdrawal-10⁶ m³.
7. Facilities in service.
8. Lower Saxony.
9. Bavaria.
10. Hessen.
11. North Rhine.
12. Ex-oil deposit.
13. Ex-saltworks pit.
14. Ex-gas deposit.
15. Ex-water bed.
16. LNG cryogenic facility.
17. Paris region.
18. "West Artery".
19. East central region.
20. Salt dome.
21. Ex-mine.
22. Facilities under construction.
23. Ex-natural gas deposit.
24. Ex-coal mine.
25. Total planned installations.
26. East Flanders.
27. Antwerp.
28. "East Artery".
29. Rhine-Palatinate.
30. Hamburg.
31. LNG.
32. Planned facilities.

[Continued next page]

Table I - Status of Natural Gas Underground Storage Facilities
at Year-End 1978 [contd]

(1)	(2)	(3)	(4)	(5)	(6)
[*]					
Repubblica Federale di Germania					
(8)					
Bassa Sassonia	Hoogstede-	1978	(15)	160	1,2
	Kalle		"		
(29)	Frankenthal	1978	"	320	2,4
Renania-Palatinato			(13)		
Bassa Sassonia(8)	Hunthorf	1979	cavità salina	40	0,9
"	Nüttermoor	1979	"	240	3,6
Baviera (9)	Wolfersberg	1978	ex-giacimento		
			di gas(14)	-	0,3
Baviera (9)	Memmingen	1979	"	300	3,0
Totale R.F. di				1060	11,4
GERMANIA					
Francia					
Centro-Est(19)	Tersanne	1983	cupola(20)	800	20
Giura	Etrez	1980	"	650	17,0
Regione di Parigi	Beynes profond	.	falda acquif.	570	8,0
" (17)"	Gournay s/		(15)		
	Aronde		"	1600	16,0
Totale FRANCIA				3620	61,0

Key:

1. Country or region.
2. Locality.
3. Year.
4. Type facility.
5. Total planned capacity-10⁶ m³.
6. Maximum daily withdrawal-10⁶ m³.
7. Facilities in service.
8. Lower Saxony.
9. Bavaria.
10. Hessen.
11. North Rhine.
12. Ex-oil deposit.
13. Ex-saltworks pit.
14. Ex-gas deposit.
15. Ex-water bed.
16. LNG cryogenic facility.
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19. East central region.
20. Salt dome.
21. Ex-mine.
22. Facilities under construction.
23. Ex-natural gas deposit.
24. Ex-coal mine.
25. Total planned installations.
26. East Flanders.
27. Antwerp.
28. "East Artery".
29. Rhine-Palatinate.
30. Hamburg.
31. LNG.
32. Planned facilities.

[* As published, without identifying subheading]

STORTING MAJORITY ASSURES GOVERNMENT OF NEW OIL POLICY

Oslo AFTENPOSTEN in Norwegian 17 Dec 81 p 5

[Article by Morten Malmo: "Storting Majority Favors Government's Oil Policy: Statoil Reappraised"]

[Text] The role of Statoil in Norwegian oil activity will be reappraised, and the experiences of oil activity so far will be evaluated to get a better basis for establishing extraction strategy and tempo. These are the main conclusions from yesterday's debate about Statoil's plans in the Storting. The Storting majority, Conservative, Christian People's, Center and Progressive Parties rejected the Labor Party's recommendation that Statoil should take over the responsibility for operating the Statfjord field starting in 1985.

The government got its wishes in that the Storting gave the green light to the two most important investigations. Minister of Oil and Energy Vidkunn Hveding emphasized that the government wants Statoil to play a central role in the future, and that the company will not be tightly controlled, but pointed out that this can not be combined with Statoil being at the same time the major implement and money collector for the state. Asbjorn Haugstvedt (Christian People's Party) and Reidar Due (Center Party), chairman of the Storting Industrial Committee, had no critical comments on the setting up of two investigating committees. Hans Hammond Rossbach (Liberal Party) warned the two middle parties against considering Statoil and oil activity as ordinary private enterprise. He said that oil is so decisive for social development that the two parties should not follow the policies of the Conservative Party.

The parliamentary leader of the Labor Party, Gro Harlem Brundtland, said that it could be useful to evaluate the experiences of oil activity so far, but she was considerably more skeptical of the wishes of the bourgeois parties for a reorganization of oil activity, which also includes Statoil and Noroil. She warned against reducing the state's influence within oil activity, and said that Statoil is still needed as the implement for control of oil policy by society. Furthermore she said that it looks as though the most important element of the bourgeois parties' oil policy is attacking Statoil.

During the debate Municipal Minister Arne Retedal said that a new pay system must be created for oil activities which will apply for workers ashore and out in the North Sea, but that North Sea workers should get a special augmentation, as the Storting Industrial Committee has recommended.

A much discussed theme in the debate was whether the Storting should now decide on the transfer of responsibility for operating Statfjord field after 1985 from Mobil, which now has the responsibility, to Statoil. The Labor Party, led by former Minister of Industry Finn Kristensen, directed strong criticism against the three coalition parties, because they will not now relieve Mobil of the responsibility for operation. Kristensen said, however, that there is a majority in principle favoring Statoil taking over at Statfjord in the future.

Perhaps Kristensen's most important argument for Statoil taking over operating responsibility is that according to him this would ensure larger deliveries to Norwegian industry. Norwich, together with his fellow party member Per Kristian Foss, rejected this idea. On the contrary, said the two, Mobil has complained that Norwegian industry has received considerable orders, especially as concerns maintenance work on Statfjord.

Minister of Oil and Energy Vidkunn Hveding said that although the government will not now agree to Statoil taking over Statfjord, this does not mean any disapproval of the company. Hveding reminded that Statoil has major duties to take care of, for example work with the gas pipelines from Statfjord and the first part of the expansion of Gullblokken.

9287

CSO: 3108/31

LABOR PARTY ATTACKS NONSOCIALISTS ON GOVERNMENT OIL POLICY

MP: Foreign Companies Would Gain

Oslo ARBEIDERBLADET in Norwegian 17 Dec 81 p 6

[Article by Nils Ottar Ask: "Labor Party on Bourgeois Oil Policy: Unity of Not Thinking"]

[Text] "The so-called bourgeois unity on the oil policy is a unity of not thinking anything," claimed Per A. Utsi (Labor) during the Statoil debate in the Storting yesterday. Both Utsi and other speakers from the Labor Party feared that the "status quo" policy of the bourgeois majority can have negative results for the development of the best possible independent Norwegian oil policy. They said that bourgeois disagreement is the reason why the central question of the oil policy will now be investigated again.

It was claimed that while the bourgeois parties and the government in coming years will try to decide which oil policy we should have, we can become more and more dependent on foreign oil companies. Utsi said that there is reason to warn the government against adhering to an oil policy which will bring us right into the trap of the international oil companies. The government's attitude toward Statoil can lead to that, he said.

Even if the bourgeois majority could not propose any unified view of Statoil's role, or which oil policy we should follow in the coming years, he noted that Statoil can not wait to play the central role which the company was assigned by the Labor Party Government. The first step in reducing Statoil's role was taken with a Storting resolution last spring, that the company's right to have at least 50 percent of all new extraction permissions, and rights to dispose of all taxed oil, should be discontinued. The bourgeois parties also moved against the Labor Party recommendation that Statoil should take over operational responsibility for Statfjord A and B in 1985 and C in 1987.

The bourgeois parties, and especially the Christian People's Party and Center Party, however, believed that it would be desirable to give operational responsibility to Statoil when all the fields are developed, but said that the company already has such great operational tasks in the North Sea that it is therefore

best to wait with new tasks. The Center Party's industrial-political spokesman Reidar Due put it this way. "I believe it is reasonable that Statoil should be the operator at Statfjord when the field is expanded. I think that would be in the national interest. Statoil will best protect Norwegian interests."

Due's colleague in the Christian People's Party, Asbjorn Haugstvedt, was somewhat more careful, but emphasized that the Christian People's Party has nothing in principle against giving Statoil operator responsibility.

Also, the spokesman for the Conservative Party, Arnljot Norwich, wanted to make it clear that his party had no objections in principle to Statoil as an operator, but that a decision on the future time for a transfer should be postponed. He pointed out that it only takes about two years to prepare a transfer, and that therefore there is plenty of time since it will not happen before 1987.

The Labor Party spokesman said that not only in the oil industry is it important to clarify in plenty of time so that planning can take place. Finn Kristensen put it this way. "It surprises me, to put it mildly, that this important question is forced to a choice. If it is possible to plan carefully and deliberately, it must be correct to take a position now that the necessary adjustments, training and such activities can take place over some time and not in a short, hectic period." He also pointed out that the industry itself believes that it will be an advantage for Statoil to take over.

Even though the bourgeois parties want to reduce Statoil's special status somewhat, they agreed that the company functions well. Conservative Party member Norwich emphasized that "Statoil works effectively, and the big expansion of the company seems to have taken place in a well-organized and rational way, and that it would be able to take over additional tasks in the future."

But in the two investigations which will now be undertaken, Statoil's role in oil policy will be evaluated again. That will happen in connection with the investigation of the organization of oil activity. The other investigation will look into the extraction strategy and tempo.

Nonsocialists Seen 'Isolated'

Oslo ARBEIDERBLADET in Norwegian 17 Dec 81 p 6

[Commentary by Jan Ove Ekeberg: "Can't See the Woods for the Trees"]

[Text] From both the employers and the employees in Norwegian business there has been a clear message that Statoil is wanted as the operator on the Statfjord field as soon as possible. In practice that says that they want Statoil to take over the A and B platforms in 1985 and the C platform in 1987, as the Labor Party recommends.

LO and MVL in Agreement

LO [Federation of Trade Unions] has repeatedly said that it would be an advantage for Norwegian workers, not only on the platforms but also ashore, if Statoil takes

over. The reason is that a Norwegian state company feels an entirely different responsibility for the entirety of working life than a foreign company does. LO chairman Tor Halvorsen expressed his fear of these companies' selfish interests a short time ago as follows: To hell with Norway--long live Mobil.

The demand that Statoil take over from Mobil is equally strong from industrial leaders. In a letter from the Association of Engineering Workshops [MVL] to the Industry Committee of the Storting it said, among other things, "In that part of Norwegian industry which actively participates in North Sea activities we have seen few Norwegian operators in the fields. If it had not been for Statoil's participation, Norwegian industry's share of offshore deliveries would have been much less than it is now." During the most recent days the industrial conglomerate TEROTECH sent a letter to the same committee with almost the same contents. TEROTECH consists of important Norwegian companies such as Kongsberg Vapenfabrikk, Braathen Safe, Elektro Union and Kvaerner.

Isolated

Against this background it can be seen how isolated the bourgeois parties are in the Storting in their view of Statoil and operational responsibility at Statfjord. It is typical that Minister of Oil and Energy Vidkun Hveding, on behalf of the government, expressed satisfaction with the way that Mobil takes care of Norwegian interests. Everyone does not agree with that.

Different bourgeois spokesmen began their speeches by praising Statoil for the work the company has accomplished on Norwegian platforms, and concluded with, "Furthermore, my party believes that Statoil's role in the North Sea should be reduced."

The leader of the Labor Party, Gro Harlem Brundtland, said in her speech, "It seems that the most important thing in oil policy is to attack Statoil. It seems especially important to attack Statoil for expected or possible future mistakes."

Paper Deplores 'Attack' on Statoil

Oslo ARBEIDERBLADET in Norwegian 17 Dec 81 p 4

[Editorial: "Attack on Statoil"]

[Text] There are not many today who will deny that Norwegian oil policy has been farsighted and successful. An important element in that policy has been the formation of a state oil company, Statoil. In addition we have concentrated on two other oil companies, Hydro and Saga. It has always been the intention that Statoil would be the dominant Norwegian company. Through this company the state has conducted its business management, and besides ensured itself wide knowledge of all aspects of oil and gas activity. Statoil is a large company by Norwegian standards, but a small company compared with the international oil giants. That which gives Statoil strength is the fact that it is a state company, and that it is that same state which assigns tasks to other companies in the North Sea. It is therefore

important that Statoil have high prestige. And the company is best protected when the authorities stand behind it, and when at the same time there is the broadest political unity concerning the activities of state companies.

The reason why Norwegian oil policy has been so successful as has been the case is largely the input from Statoil. There is hardly anyone who will claim that Statoil has not done its share of the job. Statoil has not only brought income to the country and insight into a new industry, but also jobs to other Norwegian industries, which would otherwise have been in great difficulties. Without Statoil foreign interests--at the expense of Norwegian interests--would today be much stronger than they are.

At the beginning there was broad agreement on Norway's oil policies. In recent years the bourgeois parties have taken their distance from Statoil's place in oil activity in a way that we have never entirely understood, and in a way that has a fairly dimensionless effect on us. Before the election we heard among other things that one of the first things that should happen after a bourgeois victory was that Statoil should have its wings clipped. And the promise was kept. The first thing the new minister of oil and energy did was to withdraw the Labor Party Government's promise to Statoil that it would take over operational responsibility for Statfjord A and B from 1 January 1985. It was also the intention that Statoil should take over Statfjord C from 1987. That is in agreement with the conditions which were laid down when Mobil received the concession at Statfjord field in 1974. The new government believes, however, that Mobil should continue to have operational responsibility indefinitely.

It is difficult to find any factual basis for such a viewpoint. It is interesting to note that MVL strongly approves Statoil taking over as soon as possible. MVL recognizes that it is Statoil which sees that Norwegian industry should get a large share of North Sea oil, and it is Statoil which can ensure further Norwegianization of the activity. At the same time it is openly said that experiences with Mobil have been bad. The same thing is claimed by the so-called TEROTECH group (Braathens Safe, Elektro Union, Kongsberg Vapenfabrik and Kvaernergruppen). These large companies also want Norwegian operational responsibility in the North Sea, and have found that it is difficult to get a chance at Norwegian maintenance service against foreign oil companies.

In other words it is not just us, but also Norwegian industry who are surprised at the bourgeois position on this matter. We can only explain it by saying that the Conservative Government and its supporters must have gotten themselves into a kind of ideological prestige problem in relation to Statoil. It is an expensive ideology for Norwegian society. It was almost pathetic to hear the bourgeois spokesman in the debate in the Storting yesterday praise Statoil's activities and at the same time not be able to follow up in practice. That applied to operational responsibility, and also the question of taxed oil, which the bourgeois parties want to reduce Statoil's share of. Here, also, it is difficult to find any logical basis. Statoil sells its production for prices which almost no others can reach. The company has even sold oil for private Norwegian oil companies which themselves can not reach the same prices.

If Statoil is to have its wings clipped because the company is difficult to direct and control politically, the arguments are brought down by their own lack of reason. What other oil company can the Storting discuss in the same way as it did Statoil yesterday?

Not Hydro, not Saga--and certainly not Mobil.

9287

CSO: 3108/40

STUDY CHARGES OIL FIRMS TAKE PROFITS, SOCIETY THE RISKS

Oslo AFTENPOSTEN in Norwegian 22 Dec 81 p 16

[Text] Norwegian society must bear all the risks of oil activity in this country, while the oil companies continue to take an unearned large share of the profits.

This is the main conclusion of a research report written by Helge Godo. For 4 years he has conducted oil research at Rogaland Research Institute and the Labor Psychology Institute in Oslo.

The research report strongly criticizes the international oil companies and Norwegian oil policy. The uneven balance between risk taking and profits is perhaps the most important but least noticed consequence of the oil policy which is carried out in Norway. This means that each year Norway loses billions of kroner, it says in the report.

Gogo points out that tax regulations transfer the risk from the companies to the state, and ensures the companies full or more than full repayment of their investment in addition to the income.

The research report attacks the wide cooperation with the oil companies which is based on the assumption that only the oil companies have the technical knowledge and expertise to bring in the North Sea oil. Godo says that the oil companies' role as technical experts is very much disputed. He points out that pioneering technical discoveries such as the Aker Group's H-3 rigs and the Condeep platforms were developed by Norwegian industry. Godo says that advanced industry and shipbuilding in Norway has a much higher technological level than the level of international oil activity.

The report claims that oil projects in the North Sea are defective compared with corresponding projects in other activities. Oil activity in the North Sea is marked by large cost overruns and delays, hasty planning and engineering work, cumbersome bureaucracy, inefficient utilization of manpower resources and a conservative attitude toward the use of new and advanced technology.

9287

CSO: 3108/31

OSLO OPERATES ITS FIRST DISTRICT HEATING PLANT

Oslo ARBEIDERBLADET in Norwegian 25 Nov 81 p 3

[Article by Hans L. Ruhs: "Oslo's First Remote Heating Plant Ready for Opening: Rubbish Provides Home Heating"]

[Text] Tomorrow H. M. King Olov will open Holmlia remote heating plant. Oslo thereby places one foot inside what the politicians and the experts call a new energy situation.

Oslo has no more normal power to expand. New residential areas can not receive electric heat. Oil, coal and other alternative energy sources must take over. At Holmlia, Rudene and Bjorndal it is the rubbish from their own and others' homes which, augmented with oil, will provide warm homes and hot water in the spring.

Through large and small buried pipes the residents will receive 80° water in their radiators. The temperature will be 50° when the water returns to the remote heating plant. It will be reheated and sent out to the homes again. This heat will not cost more than if they had electric heating panels. Half the price of what heating with kerosene costs.

In round numbers this remote heating plant has cost 30-40 million kroner including the piping to the houses. When remote heating is expanded to the entire Southern Nordstrand, Holmlia is one of three central stations, the cost will be about 50 million kroner in today's currency. This will represent one-half of the energy supply of Altaverk. When the rubbish-burning plant at Klemetsrud is completed, rubbish will amount to two-thirds of this energy. Oil and some electricity (with surplus power this year) will account for the remainder.

"We must try new methods. Here we have a flexible installation which constitutes Oslo's largest investment in energy economics so far. Much cheaper energy than what new hydroelectric power would cost," said Director Arne Finstad of the Oslo Electricity Board to ARBEIDERBLADET.

He and Chief Engineer Jens Gunther are very proud of the installation, which they believe will meet all technical and economic expectations. Such large installations have an efficiency of 92-93 percent, calculated on the average for one-half year. Stoking plants in large housing cooperatives have by comparison an efficiency of 85 percent per year. The verdict is good energy economics, more reliable operation, and cheaper energy costs.

SVENSKA PETROLEUM, WITH OIL SURPLUS, TO HALT SAUDI IMPORTS

Stockholm SVENSKA DAGBLADET in Swedish 4 Dec 81 p 24

[Article by Sophie Petzell]

[Text] Svenska Petroleum will probably be cutting its oil imports in half next year. No oil will be imported from the biggest supplier--Saudi Arabia.

In recent years Svenska Petroleum, SP, has had heavy losses. Parliament will soon decide on a deficit subsidy of 670 million kronor for the company.

At the same time the firm's management is working to cut back SP's loss-producing activities. The goal is to cut imports of crude oil in half.

Svenska Petroleum has contracts from various countries concerning the importation of around 7 million tons of crude oil a year. In all Sweden imports 17 million tons of oil a year. And when combined with refined products the imports total around 28 million kronor.

Svenska Petroleum has negotiated with Saudi Arabia on limiting imports--about half of the 7 million tons come from that country.

"In the discussions we have pointed out that the market in Sweden fluctuates sharply," incoming SP executive director Lars Hjort told SVENSKA DAGBLADET.

"One problem is that under the agreement the oil imported from Saudi Arabia must be sold on the Swedish market. The shipments include some heavy oil with a high sulfur content that cannot be sold here."

The talks have had the assistance of Energy Minister Ingemar Eliasson who recently discussed the problems with Saudi Arabia's Oil Minister, Sheik Ahmed Zaki Yamani at a meeting in Vienna.

"The result was that SP won't take any oil from Saudi Arabia next year," said Lars Hjort.

Both SP and OK, the oil cooperative, have contracted for oil from Mexico. This year the companies have made use of only a small part of the contract. The price and quality of the oil made the companies hesitant. There has been some talk about canceling the contract.

But it is unlikely such discussions will be held with Mexico.

Within a short time a top-level delegation will go to that country to discuss Swedish export of two nuclear reactors for a combined total of 15 billion kronor.

6578

CSO: 3109/62

ENERGY INDUSTRY GROUP FORECASTS NEAR-CAPACITY DEMAND TO 1990

Stockholm DAGENS NYHETER in Swedish 10 Dec 81 p 9

[Article by Olle Rossander]

[Text] The need for electricity in 1990 will coincide exactly with the power industry's expansion plans. It is true that industry won't need as much as they were guessing just a few years ago, before the nuclear power referendum, but to make up for it the needs of small homeowners for electric heat will rise explosively.

Declining industrial demand is pretty much in agreement with earlier reports but the demand by small homeowners for electric heat was unexpected.

The power industry's cooperative organ, CDL, Central Operating Management, presented a prediction of electricity usage in the next 10 years.

Prediction?

When asked if what was presented is really a prediction or a goal for the branch, the reply from Hydroelectric's general director Jonas Norrby was a trifle vague.

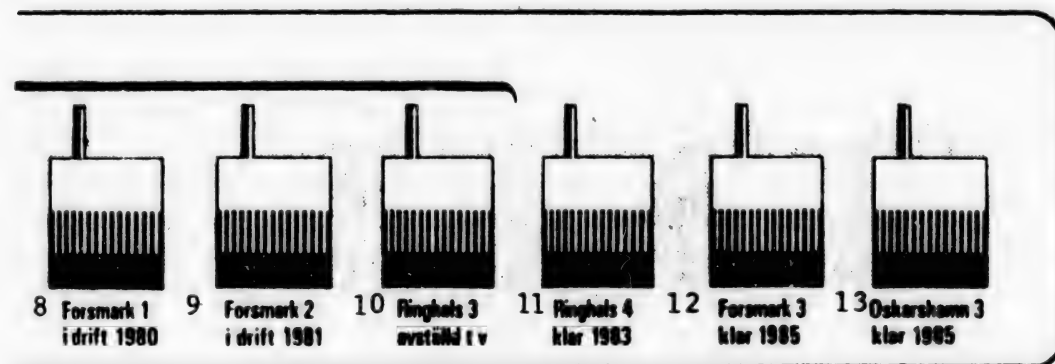
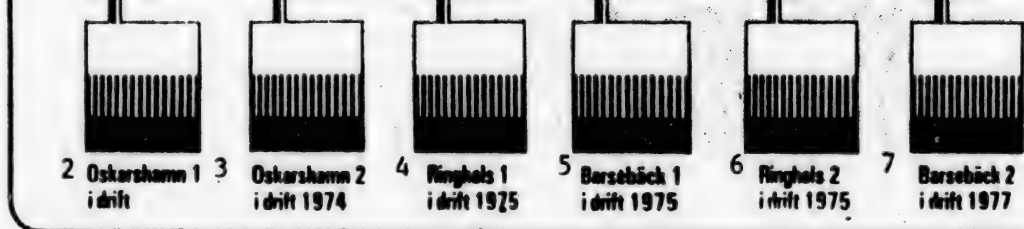
""It is partly a forecast and partly a goal. It isn't really a goal."

The forecast or goal is based in part on earlier state reports on industrial growth and other factors, in part on their own industrial questionnaires and in part on surveys among small homeowners on how their heat is supplied today.

These were collated and power industry experts then weighed in the political objective of reducing Sweden's oil dependency in the future, which was interpreted as meaning that more electric energy should be used for such things as heating.

Dramatic Increase

The result is that CDL both believes in and will work for a dramatic increase in the use of electricity for heating in the next few years. Partly by giving price breaks in the electric rates for homeowners and partly by having the power industry itself invest in big electric furnaces for supplying heat.



All 12 nuclear power plants will be fully utilized if CDL's forecast proves to be accurate and demand for electric heating rises dramatically--otherwise there will be an electricity surplus in 1990.

Key:

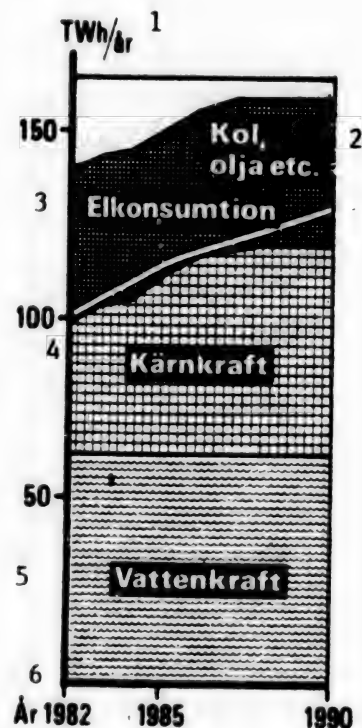
- | | |
|-----------------------------------|----------------------------------|
| 1. In operation | 8. Forsmark 1 in operation 1980 |
| 2. Oskarshamn 1 in operation | 9. Forsmark 2 in operation 1981 |
| 3. Oskarshamn 2 in operation 1974 | 10. Ringhals 3, currently closed |
| 4. Ringhals 1 in operation 1975 | 11. Ringhals 4, ready 1983 |
| 5. Barsebäck 1 in operation 1975 | 12. Forsmark 3, ready 1985 |
| 6. Ringhals 2 in operation 1975 | 13. Oskarshamn 3, ready 1985 |
| 7. Barsebäck 2 in operation 1977 | |

"We can always outcompete oil," said Gunnar Larsson of Hydroelectric.

The CDL report is based on industry continuing to increase its electricity consumption by around 3 percent as it did in the 1970's.

So far most energy forecasts have turned out to be totally wrong. What are the chances that this one will be correct?

"I think the chances are equally great that it will be wrong upward as downward," said Jonas Norrby, but he would not say how large a margin of error CDL or Hydroelectric is counting on.



The demand curve for electric energy will be close to ideal according to the CDL forecast. A very limited amount of oil and coal energy would be needed for marginal supplementation. The forecast is based on a sharp increase in demand for electric heating--if that doesn't happen, Sweden will have a big electricity surplus by 1990.

Key:

- | | |
|----------------------------|------------------|
| 1. Terawatt hours per year | 4. Nuclear power |
| 2. Coal, oil, etc. | 5. Water power |
| 3. Electricity consumption | 6. Year |

Tempt Small Homeowners

One of the things the CDL forecast or goal is based on is tempting around half a million small homeowners to buy electric heating systems in the next few years.

With cheap electricity at night and in the summer half of the year those with older oil furnaces and those buying new ones should be able to switch to electric heat. At least partially.

"The best would be to keep the oil furnace and use it in the winter when electric power is more expensive and we need it for other things," Jonas Norrby stated.

Some oil and coal power plants, flexible heating systems in small homes and movable electric rates could produce the ideal balance in the electric system in the future.

There doesn't have to be any surplus of electricity. The small homes will take care of that and there doesn't have to be any shortage even in dry years--then we can run both single-family homes and power plants on oil or solid fuel.

CSL's Estimate of Electricity Consumption (in Terawatt hours)

<u>User</u>	<u>1970</u>	<u>1978</u>	<u>1985</u>	<u>1990</u>
Industry	33.2	38.8	45.8	50.0
Communications	2.1	2.2	2.5	2.7
Other	22.0	39.9	55.4	65.6
electric heat's share	4.0	11.0	21.1	28.5
Total, including losses	63	89	114	130

A Terawatt equals a thousand billion watts and a Terawatt hour is the energy equivalent of two full-loaded supertankers with oil (860,000 tons of oil).

6578

CSO: 3109/62

STUDY LOOKS AT ENERGY CONSERVATION POTENTIAL IN INDUSTRY

Stockholm DAGENS NYHETER in Swedish 12 Dec 81 p 2

[Editorial by Olle Alsen]

[Text] Until around the turn of the century we can increase our consumption of goods and services by 50 percent and still reduce energy consumption in Sweden by almost half: from the current roughly 400 Terwatt hours a year to between 200 and 250 Twh.

This doesn't require any magic spells, it just calls for a consistent application of the best-known and most profitable techniques in industrial and machine renewal and in new construction and rebuilding.

Cutting energy needs in half in 25 years in spite of a sharply higher material standard is facilitated by current structural changes. The population increase has ended. Production will increasingly use less material. Energy is used much more efficiently now that energy prices have risen and are continuing to rise. Industrial emphasis is shifting from the enormously energy-intensive branches of pulp/paper and iron/steel to the much less energy-intensive engineering workshop and chemical branches. Energy consumption in buildings--both for heating and for household appliances--can be reduced with current technology to a quarter or less of today's level and in car driving and other transportation it can be cut in half.

This sensationally promising picture of the future is given in a quietly issued, objective and thorough energy thriller containing all the necessary references and footnotes, entitled "Energy--What For and How Much?" It should be weekend and then everyday reading in the Chancellery, agencies, municipalities, company management ranks, union leader circles and all those on the grassroots level who are interested in a less energy-wasteful, more environmentally protective, resource-conserving, self-sufficient energy future in which we don't have to either freeze or boil.

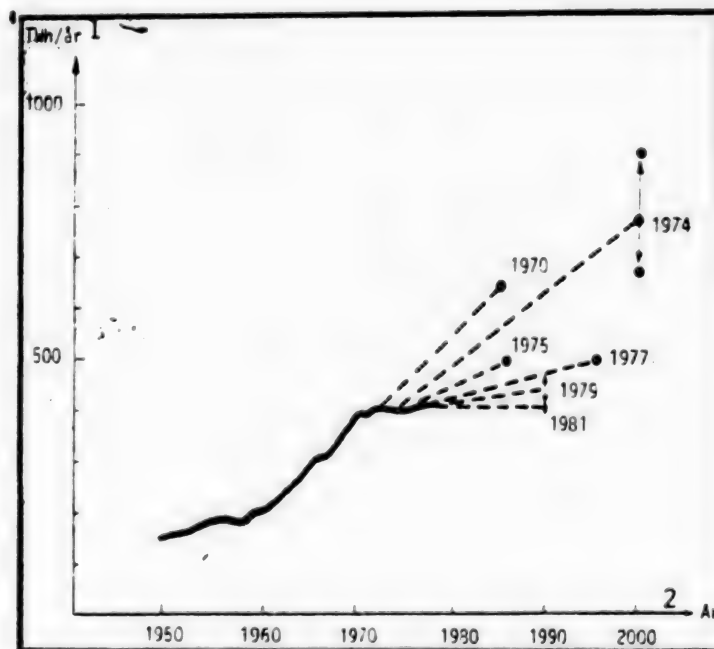
The close to 300-page work was published by the delegation for energy research, as DFE [Delegation for Energy Research] Report No 39, through Liber Press. The main authors are FOA [Defense Research Institute] researcher Peter Steen and Lund associate professor Thomas B. Johansson who both wrote with Mans Lonnroth an earlier classic among Swedish energy studies, "Sun-Sweden."

Even before publication the big study had aroused strong interest, not to mention uneasiness, within the Industrial Association, the power companies' organ, the Central Operating Management (CDL) and affected energy branches.

It is not primarily the general economic weakening but the structural changes referred to--a stagnant population, the shift away from the energy-demanding forestry and steel branches, the end of steadily cheaper energy, etc.--that are the reason why all the energy forecasts of the 1970's have proved so inaccurate.

CDL has just issued a new variation of this forecast waltz, 121 glossy pages on "Electricity Consumption in Sweden, 1978-1990." In excusing its own and the rest of the establishment's enormous and repeated mistakes, CDL writes: "The tendencies deviating from developments in the 1960's which emerged in the early 1970's were at first regarded as simply accidental deviations from the trend or as an effect of several unfortunate circumstances occurring simultaneously; in Sweden the long-term studies of 1975 and 1978 were dominated by this kind of viewpoint."

"At first!" Not only in 1975 and 1978 but also in 1980 LU [Long-range Study] is characterized by the same fixation with growth.



Energy consumption in Sweden according to various forecasts designated by the year in which they were made. They are the Energy Committee report, 1970; the Energy Forecast report, 1974; the Social Democratic government bill, 1975; the state Industrial Agency forecast, 1977; the government bills for 1979/80 and 1980/81.

Key: 1. Terawatt hours per year 2. Year

We will only point out one thing about the new CDL forecast here. CDL now estimates annual industrial consumption of electricity at 50 Terawatt hours (TWh) in 1990. Strange. Before the referendum on nuclear power a year and a half ago, representatives of industry, nuclear power parties and others in the majority behind the report on consequences showed that industrial consumption of electricity would be and needed to be at least 57 TWh. It was said that the so-called low alternative defended by Line 3, the People's Campaign, and others, would produce enormous price increases for electricity and some kind of rationing, leading to high regional unemployment. This "realistic" thinking helped scare people into providing the victory for nuclear power in the referendum. Line 3 was presented as the daydream of irresponsible low-energy advocates.

The level that was condemned then is exactly what CDL now predicts in its forecast, 50 TWh for industry in 1990. And that is in a burst of optimism (in a lower alternative they talk about 44 TWh instead), which also anticipates high electricity prices.

What was true in 1980 is just a bad joke in 1981 and vice versa.

6578

CS0: 3109/62

VOLVO OFFERING NORTH SEA BLOC SHARE TO SP TO CUT COSTS

Stockholm DAGENS NYHETER in Swedish 11 Dec 81 p 13

[Article by Olle Rossander]

[Text] It has become so expensive to look for oil in the North Sea that Volvo Energy has now tried to get the state Svenska Petroleum to take over part of the Volvo share of the North Sea.

The attempt this summer when drilling was going on to get Svenska Petroleum to go in on Volvo's 10 percent share of the Haltenbanken area failed.

"We were interested but could not reach an agreement," the executive director of Svenska Petroleum Exploration, Gunnar Agfors, told DAGENS NYHETER. It is almost impossible to agree on terms while drilling is under way and no one knows if oil might be found the next minute.

"We would like to share the risk and would like to set up cooperation," explained Richard Plate, information director at Volvo Energy. "We are interested in co-operating in various forms."

Equal Shares

"We are always interested in cooperation but I won't go any further into this particular issue," said Gunnar Agfors.

Cooperation between Volvo and SP [Svenska Petroleum] would seem natural in one bloc in the Norwegian sector, bloc 8/3. The two companies each had an equally large share there this summer, 7.5 percent.

It is the high costs and the big risks that made Volvo interested in getting the state company, SP, to share part of its operations in the North Sea.

The daily cost of a drilling rig in the North Sea is around 1 million kronor and it can take 5 to 7 months to drill a hole all the way.

But like all private companies Volvo has half of its exploration costs paid for by the state in return for promising to conduct any oil found to Sweden. The money doesn't have to be repaid if Volvo doesn't earn anything on it.

On Thursday the government decided formally to grant Volvo the subsidy requested. A total of 19 million for 1980 and 1981 and 17 million next year for work agreed on.

At the same time the state company SP received funds for all its costs for oil exploration in the last 2 years, a total of 68 million kronor.

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CSO: 3109/62

BRIEFS

GOTEBORG STUDIES WASTE HEAT--In 1990 Goteborg can get two-thirds of its heating needs from waste heat, the rest from coal and a very small amount of oil. That is one of the projects now being discussed by the Goteborg Energy Board now that the alternatives of heat from the Ringhals nuclear plant or from a synthetic gas plant are no longer available. One of the two alternatives being studied now by the energy authority concerns using waste heat as far as possible--regardless of the cost. The second alternative is to use waste heat to the extent it is economical and then fill in with coal heat. It is estimated that both the waste heat alternative and the coal alternative will require 1.2 billion kronor in investments in terms of 1982 currency values. [Text] [Stockholm DAGENS NYHETER in Swedish 12 Dec 81 p 5] 6578

CSO: 3109/62

EREL EYES APPROACHES TO ENERGY CONSERVATION

Istanbul MILLIYET in Turkish 12 Nov 81 p 8

[Article by Teoman Erel]

[Text] And what if you had been caught?

How would you have explained your concerns? They would have asked what you were looking for in your neighbor's courtyard at that hour of the night.

You would have replied, "My conscience would not condone such frightening waste."

They would not have believed you. They would have accused you of being a Peeping Tom, or a rapist, or a burglar....

This time, luck was with you. You were able to complete successfully your patriotic endeavor without anyone seeing you.

Please be more careful from now on. Do not allow your patriotism to push you into situations that are difficult to explain.

The opening of this article probably sounds like a riddle. In explanation, let us quote the letter of the reader we answered in the introduction. It states:

"I read your 19 October 1981 article. You mentioned the disastrous situation in regard to electricity production. This problem is truly a grave problem, but, for some reason or other, all of our leaders give verbose statements without ever hitting upon the facts. I am a resident of Adana. For the Ramazan holiday, I went to Mirzacelebi District to visit friends of my wife. At 1 o'clock in the afternoon, street lamps were burning. When I came out on the street to return home at about 5 o'clock, the street lights were still on. Every day when I leave the house to buy bread and even when I am getting ready and leaving for work, the lights are burning.

"There is another important fact. Those who work for the electric company pay one-tenth the cost of the electricity they use. For this reason, they use electricity to heat the water used to wash clothes in their homes. Furthermore, they pay for the electricity used by persons who live in their rental units. They exploit this benefit to the extent that, when they go on vacation, they leave all their lights burning. In fact, I went into my neighbor's courtyard one night to turn out his lights. I extinguished them and left. I did this because my conscience could not condone the waste. I even risked being charged with burglary."

We cannot give the name of the reader with the conscience and sensitive feelings. We do not want him to get into any trouble.

However, it is necessary to evaluate the psychology behind the concern shown by this fellow citizen. It, on one hand, citizens are called upon to conserve energy and then, on the other hand, examples of unnecessary squandering continue to exist, anger and reactions increase.

Officials have repeated slogans such as, "Turn off a third of your lights," so often that citizens believe that this is the heart of the problem.

In homes, in coffeehouses, serious arguments take place, accusations are made.

Fights between husband and wife start with, "Why didn't you turn the light out in the hall?" Young children are harshly reprimanded:

"You'll never grow up to be a man. Why did you leave the bathroom light on?"

"But, Father," cries the child, "I'm not tall enough to reach the switch."

We spoke with technicians. They do not believe that extinguishing light bulbs will conserve a significant amount of electricity.

They say, "The root of the problem lies in delays due to administrative errors and defects in the contract system in putting new power plant units into operation. Electricity is also misused in industry. Because of disorganization and a lack of supervision, industrial facilities consume much more electricity than they need. Either their technology is poor, or the hours of usage have not been organized efficiently. Officials must deal with this basic issue."

Our officials pursue an approach similar to that of Nasrettin Hoca, who searched under a street lamp for the ring he lost in a dark cellar.

They look for the easy way out. Instead of going to the heart of the matter, they insist upon dwelling on consumption that takes place for the purpose of illumination and place an excessive amount of blame on evenings, when television sets are turned on.

In the past, when debates about conserving liquid fuel were intense, a similar approach was taken. Instead of dealing with electrical power plants, such as Ambarli, that consume the most liquid fuel or with industrial installations that utilize liquid fuel, gasoline -- and only gasoline -- burned by automobiles was discussed.

It was said, "We should use the odd-even system. On specific days of the week, only cars with license plates ending in an odd number can go out on the streets. On specific days, only those ending in an even number can go out."

Yet, the amount of gasoline used by passenger cars consisted of only a very small percentage of total liquid-fuel consumption.

A high-level technician told us during that time:

"If two cement factories that burn liquid fuel were changed over to use coal, as much liquid fuel would be conserved as if the odd-even system proposed for automobiles were implemented."

Fortunately, the even-odd plan was never instituted. We can only estimate the chaos that would have ensued had it been instituted. Various car owners with influence would have obtained permission to drive on days not allowed by their licenses. Citizens would have noted this and reacted.

Various patriots and nationalists would have thrown rocks at cars with plates ending in even numbers being driven on days reserved for those with odd numbers. They would have slashed tires. Fights would have broken out....

The liquid-fuel problem ended, however.

But, look out. Citizens' nationalistic emotions and feelings concerning justice are running very high. Each morning, our children recite the oath, "Let my existence be a gift to the existence of Turks." The responsibility of saving the nation has been well inculcated in every one of us. When dealing with issues, our youths can be separated into two camps and pushed into battle with one another for the sake of saving the country.

However, so long as these high emotions and intense patriotic feelings are not balanced with rationalism and knowledge, no results will be achieved.

The superficial slogans coined and the misdirected campaigns initiated by officials with cunning as they bargain with friends conflict with our mentality, infuriate our intelligence. We look around, and we enter our neighbor's courtyard in the middle of the night.

We turn out his light -- in order to help solve the electricity problem.

11673

CSO: 4654/63

SOLAR ENERGY POTENTIAL BEING INVESTIGATED

Adana YENI ADANA in Turkish 13 Oct 81 pp 1,6

[Text] Prof Dr Hakki Ogelman, Cukurova University Faculty of Basic Sciences Department of Physics and Space Sciences chairman, reported that industrialized nations continue to consume coal and oil as if it were loose change; that Turkey is one of the fortunate countries from the standpoint of solar energy; and that, on an average day in Adana, solar energy equivalent to half a liter of liquid fuel falls on each square meter of land. Prof Ogelman, who noted that the sources of energy we call fossil fuels, such as coal and oil, were created over millions of years by accumulations of plants and animals beneath the ground, said, "In fact, countries that rapidly became industrialized at the beginning of the 20th century continue to use rapidly, like small change, the fuels that the sun amassed over a long period of time."

"According to various estimates, if we continue developing at this pace, between the beginning of the next century and the middle of the century, the use of fossil fuels will be replaced by solar energy, which will last for millions of years longer, or by bioenergy, which is related to the sun and which can always renew itself over a short period of time, hydraulic energy, or wind energy. Research and applications using these types of resources are increasing."

In a statement on the subject, "The Sun: A Source of Energy We Can Rely on for Billions of Years," Dr Ogelman said, in summary:

"In comparison with northern Europe, our nation receives an average of twice as much solar energy per year. Adana receives, on the average, solar energy equivalent to a half liter of liquid fuel per square meter of ground each day. This amount doubles during the summer months and falls to one-half in the winter."

"Heating residences with solar energy and maintaining relative coolness in buildings during warm weather make up an important part of solar energy research today. If we take into consideration the fact that surveys in

various countries reveal that the heating of buildings accounts for between one-third and one-half of total electricity consumed, the significance of this topic becomes obvious.

"Looking at the future, the encouragement of and an increase in investments related to research and development of solar energy by universities and other research organizations is one of the basic responsibilities of the state."

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CSO: 4654/63

BRIEFS

EXPORTS TO CUBA INCREASE--Helsinki, 14 Nov--It appears that Finland's exports to Cuba will increase this year by 45 percent. Despite this, imports from Cuba are considerably greater than exports, which amounted to 30 million marks during the first three quarters of the year. Imports remained at the same level as last year, when its total value was about 200 million marks. Nevertheless, the trade exchange between Finland and Cuba has evened out considerably this year, according to the mixed Finnish-Cuban commission for science, economics and technology which recently met in Havana. Last year the value of Finnish imports from Cuba reached 197 million marks, double compared with the year before. Finland's exports to Cuba last year were worth 24 million marks. The value of Finnish exports during the January-September period this year was 30 million marks, which is an annual growth of 45 percent. At the same time, imports were held at last year's level. Nevertheless, it was confirmed during the meeting that all the goals in the program involving developing and balancing trade have not yet been attained. That was also the reason Finland could not at this stage accept a new long-term sugar agreement, as proposed by Cuba. The Finnish delegation during the meeting was led by division chief Pauli Opas from the Ministry of Foreign Affairs. The commission will hold its next meeting in 1983. [Text] Helsinki HUFVUDSTADSBLADET in Swedish 14 Nov 81 p 28] 6893

CSO: 3109/57

SMALL, MEDIUM ENTERPRISES REPLY TO MAUROY'S PLAN

Paris LE NOUVEL ECONOMISTE in French 23 Nov 81 pp 46-51

[Article by Claude Bunodiere]

[Text] For 3 weeks the prime minister has been scouring France, pleading in favor of jobs. For 3 weeks LE NOUVEL ECONOMISTE has been on the spot, region by region, meeting with employers. PME's [Small and Medium-Size Businesses] reply to the Mauroy plan is this: no to sham jobs; yes to the effort in competitiveness...but on condition that we continue to be boss at home.

"Every evening when I turn on the TV something hits me on the head. Monday I get surtaxed on overhead expenses: 'OK.' Tuesday the occupational tax goes up: 'OK.' I am used to that, but I still call in my accountant to begin to tot up the figures. Wednesday it is the SMIC [Interoccupational Minimum Growth Wage]; I don't give a damn. But when it comes to the ceiling of 35,000 francs for the service vehicles of my agents, I do give a damn. Thursday the exceptional tax on my income is exceptionally brought back in next year: 'OK.' Friday Mr Fabius puts the work tool into effect, contrary to all of President Mitterrand's promises. The arithmetic I did 2 days before is already off base. But on Channel 2 Mr Delors swears to me that it is all over, and the next day the government sticks us with 12 billion more in favor of social security. I give up. I turn off the TV. No kind of strategy is possible any more. I don't want to know any more about it." And does not knowing any more also mean taking no more action?

Eighty-two employees, a sales volume of 62 million francs, one of the top profit-making concerns in the business, Mr Michel Brunswick, president and managing director of M. B. Electronics in Buc-sur-Yvette, is one of the heroes of the autumn soap opera: "PME." Three slightly old-fashioned letters, but 45,000 employers and a flood of words. Those of the two presidents of the CNPF [National Council of French Employers], Mr Francois Ceyrac, outgoing, and Mr Yvon Gattaz, incoming. And those of the small employers themselves, who, through a poll, are airing their worries this week.

"If our appeals are not heard, we shall take rougher measures," is the threat made in Arles by Mr Mauroy, hampered by his 2 million unemployed. Three weeks after the beginning of his tour of France, the prime minister's appeals for solidarity and his lyricism make the employers' realism bristle. This time Mr Mauroy considers staying at the Matignon Hotel, while Mr Rene Bernasconi, freed from his

final reluctance, and feeling the tide rise, makes the first move and thunders: "The economy does not move at gun point." Before bringing together this week his general meeting "for readjustments" without extending an invitation to any outside or governmental official.

While their results for the year have them worried--minus 29 percent in additional financial fees in 1 year (as of late June), a turnover just barely higher than inflation (+15.3 percent), plummeting profits (-37 percent) and self-financing capacities at half mast (-10.2 percent)--for well nigh the total number of PMI employers the design for 1982 is becoming clear. The employers' response to the Mauroy plan is first of all disbelief.

A fresh start? "The Coue method," they all say in chorus. "For 6 months I have been looking for a single measure suitable for improving my competitiveness." At Amneville, near Metz, this is the statement made by Mr Pierre Lajoie, president and managing director of Bronze Industry, a foundry with 210 people specialized in a high grade of technology, centrifugation, which makes nearly 20 percent of its turnover from exports. "Being in all of the big stores with my portable washers, I am in a good position to judge, yet I don't see anything coming up," states Mr Claude Garot, president and managing director of Sufam and president of the employers' union in Colombes.

"Stabilizing loads for businesses?" A weighing down is what it will actually amount to.

A decrease in working hours? Six textile industries in Normandy have done their accounts. And have redone their accounts for operations in 1980, bringing in the 39-hour week (39 supposedly paid hours), with the 40th hour being paid for as overtime, a fifth week of annual leave and 8 May as a holiday. Result: a drop in net profits of anywhere between 39 and 66 percent, depending on the case! "Without any creation of jobs," they emphasize. "Even though there is nothing new about it, it is obvious we will never speak the same language." At Dijon that was the statement made by the discouraged Mr Jean-Pierre Roclore, president and managing director of the Joker fruit juice company.

Pampered in speeches, cudgeled by the facts, the employers would like more than anything else to know what to expect: are they partners, hostages or scape-goats?

If economic facts hold out against the politicians' wishes, the employers do not intend to bear the cost of it in the face of the public. "Mr Mauroy is not going to make us manage our businesses the way he can afford to manage his mayoralty," an employer well known throughout Burgundy exploded, after listening to the prime minister. "If he needs money, he is the one who levies taxes, not I. And he does not have any competition in the birth certificate market in Lille." A subject dear to Mr Gattaz: "Hiring a surplus of personnel would constitute a serious flaw in management which our wage-earners would not fail to disparage, should problems arise."

"Gains in productivity cannot make up for everything," warns Mr Claude Garot. "Our foreign competitors are making them too. As for investing more, that calls

for financial means which most of us, bearing in mind to slump in our results, no longer have. There are going to be some dead bodies..." At the end of October, INSEE [National Institute of Statistics and Economic Studies] announced a new increase in bankruptcies in industry alone of 38.9 percent over the first 10 months of the year.

So are the employers of the PME crushed, discouraged, passive? The heads of businesses accuse the politicians of making speeches that contradict policy: they do the same thing themselves. Playing Dr Jekyll and Mr Hyde every morning, the very employer who sounds off every evening while listening to the politicians, and informs his wife that from now on he is going to live the English way, stopping at 5 o'clock, and long live golf and gardening, goes right back and saddles himself with the same work the next day. Trapped by his business and the wage-earners who are depending on him. Trapped even more by himself. "The heads of businesses are irreplaceable people," a high-ranking public official states, half admiringly, half cynically. "They have an impossible job; they do it for pleasure, and they commit their money to it."

In point of fact, well trained after 5 years of crises, the small and medium employers of industry are fighting harder than ever. In Toulouse, at the first sign of a comeback in clothing this summer, after 4 years of stagnation in the French underwear market, Mr Jean Etcheparre, president and managing director of Toulouse Knits (Jet brand, 258 people) does not hold out against the orders, and hires six people. Remaining on the lookout all the while for any possibility to improve productivity: "At the last Vetimat Show the appearance of the first automats in ready-made clothing could be observed. At 130,000 francs apiece, instead of 20,000 for a sewing machine. But if it works, I am prepared to shift part of my advertising budget over to investment in machinery." In Garenne-Colombes, Mr Tellier likewise does not hold out against the least revival in his order book: he has three more people this year. "I could not," he says, "cheat on delivery dates."

In Gironde, in Ville-neuve-d'Ornon, another Etcheparre, this one named Bernard, set up with his brother, 6 years ago, a firm for manufacturing automatic tracing readers for ready-made clothing. Today he has 70 people in his employ, makes a turnover of 23 million francs, including 8 million for export, and is going to establish, following the same action in Germany and the United States, a third affiliated firm in Spain. His returns: 10 percent of the turnover devoted to research. Next spring he is going to put his third machine on the market, thereby moving, for the first time in France, from laser cutting of cardboard patterns, to the cutting of the fabric itself, and even leather: "That way, I shall have three machines to sell instead of two, and two markets, clothing and shoes, instead of one."

In Annonay, it took Mr Henri Bacou, 45 years old, originally from Carcassonne, 5 years to make his company number two in safety shoes, after Jallatte, his former employer. It has 130 people, not including three affiliated firms in Saint-Quentin, Alfortville and Spain; 38 percent of its turnover is for export. "I am involved," Mr Bacou says, "in a development process; stopping is out of the question. The only thing that has changed for me since 10 May is not my strategy; it is my degree of motivation." Same reaction on the part of Mr Robert

Cassanelli, who, in 1974, took over his father's job as the head of the Tunet cartridge factory some 10 kilometers from Toulouse. He has just succeeded in increasing his turnover by 70 percent in 3 years, whereas his major competitors were taking a fall (Manufrance) or were being bought out by the Italians (Gevelot): "My expansion plan, developed in 1979, is about half way through," he explains. "Between now and 1984 I shall invest 8 million francs and hire 22 people. Just simply with a little less enthusiasm. And tightening up the nuts and bolts." To succeed in his breakthrough Mr Cassanelli did not hesitate--a difficult decision for the boss of a business that is 100 percent family-controlled--to open up his capital to the Institute of Regional Participation (IRDI), created in Midi-Pyrenees.

The southwest does not have a monopoly on vitality. In Aix-les-Bains the Thimon establishment insures 60 percent of the overhead for export trade in automatic processing and packaging devices; in Douai, the Sammia firm sells 70,000 copies of its compressed air winches in 90 countries. But the top award for development against all odds goes indisputably to Mr Guy Dadou who, 3 years ago, created the Electronics Company of Rennes (SOREP), whose strategy simply makes one's head swim: 160 people recruited in 3 years, including 40 devoted full time to research. A turnover (40 million francs in 1981) that is doubled each year. Capital which, thanks to the wage-earners and the Regional Development Company (SDR) of Brittany, has moved up from 250,000 to 7.4 million francs. And what is yet to come promises to keep up the same pace. This week Mr Dadou is announcing the creation of two affiliated firms in cooperation with two American firms, both extremely specialized, one in data conversion circuits (a technique that is still nonexistent in Europe), and the other in integrated circuits arranged in uncommitted logic arrays on request.

But the slightest error in strategy, the least change in timing can be fatal. A good and very precise castellated nut discovered in 1960--counterweights in cast iron for handling devices--had boosted Mr Maurice Bouhyer, a smelter in Amiens, to great heights: 75 percent of his production sold abroad, including 50 percent in Germany, but the timing shifted, and counterweights took a fall: 4^e million francs in turnover, to be sure, but losses in 1980.

For running his second factory (30 million francs) built last year in the Ardennes region, and giving his 60 additional wage-earners work to do, Mr Claude Garot is now on his third new product for 1981: a wringer, a gyroscopic razor, and now a device for making soft drinks at home. "No choice," he says: "between a fall in electrical home appliances in France and the decline in my manufacturing clients' orders in electronics and automobiles, I put everybody on deck."

Outstanding but also vulnerable, for different reasons, is the Ribrac-Gendron-Josse foundry in Nantes (150 people). "At the end of April, to face up to my orders--signed by Alstom, Thomson, National Defense, etc., wonderful clients in high technology sectors--I invested in buildings and machines," Mr Robert Josse explains. "From one day to the next my public clients are either about to change ministers or are subject to nationalization. My problem today is finding out exactly when I am going to be forced into a situation of partial unemployment. Yet I am what is called a 'healthy' firm, still making profits. Last winter SODERO (the Regional Development Company of the West) granted me my last loan

by telephone in 10 minutes!" With the same clientele--Thomson, Matra, etc.--a young small or medium industry in Vendee, Numergo, off to a brilliant start in flexible workshops and automation, was unable to resist: the freezing of its orders this summer took it straight to the edge of bankruptcy.

Vulnerable and in jeopardy with regard to timing, small and medium industries are the same way facing their interlocutors. Mr Jean-Pierre Lucas, formerly an engineer with Marcel Dassault Electronics who left 2 years ago to open up a subcontracting business in electronics near Metz with the help of his former employer, has this to say: "In theory my clients pay within 90 days. In actual practice it is more like 130. On 30 June, for a monthly volume of 700,000 francs, I had 3.1 million out. At a discount rate of 20 percent..." Starting in 1979 interbusiness credit amounted to 500 billion.

Small and medium employers are badly armed, most particularly facing their bankers. "The real justification for a policy of assistance for small and medium industries is the need to reserve specific funding for them, for otherwise they usually miss the boat," admits Mr Claude Mandil, adviser to Mr Mauroy.

Assuredly, from the banks' point of view, small and medium industries have every fault in the world: they are deficient in terms of long-term financial planning, analytical accounting, and their own funding too because the family-member shareholders demand too many dividends or because the weight of the tax on profits causes them to forget to strengthen the upper part of their balance sheet, etc. "Clients that must be handled in a very special way," emphasizes Mr Pierre Dap of the People's Bank of Lorraine which provides many services and specialized interlocutors for them.

But are the banks themselves above suspicion? "When things start to go badly, it is truly in the manufacturer's interest to warn us at once," a mutualist banker confesses, "otherwise, it is true, we shoot first, and issue the summons afterwards."

"It is also true," asserts one of his colleagues, "that our central office allows us a certain annual 'shortfall,' but grants no pardon for dragging on for a long time with eternal millstones." Mr Bernard Lefevre, director of the People's Bank of Brittany-Atlantic, further emphasizes: "Furthermore it is true that the fear of being called on for making up for liabilities, as 'actual directors,' must not prevent us from becoming real partners for our manufacturer clients: in the long run the law is in our favor. It is an alibi." The officials of the Ministry of Finance are not about to forget the experience of the "exceptional treasury advances" proposed this summer. A good opportunity to measure the effectiveness of the banks' good will regarding the small and medium industries, since they were to double the state's outlay. A revealing "hit parade" of the virtues of decentralization: 22 percent of the files presented by the CIC (a private regionalized group), 22 percent by the BNP (the most decentralized of the nationalized banks), 11 percent by the People's Banks, 11 percent with Credit Lyonnais, 8 percent for Societe Generale, etc.

All told, the way in which the assistance loudly proclaimed by the state is reaching businesses is a real subject for grievance. "COFACE" [French Company for the

Insurance of Foreign Trade]? "It is a great agency for canvassing," Mr Garot observes, "but when it agrees to insure me for 50,000 francs on an order amounting to 200,000, for me it is as if it were not doing anything. And I am not talking about terms of payment in case of bad luck: 8 months or even longer." What about the effectiveness of the CODEFIs? From 1974 to 1979, 10,000 businesses saved "in extremis" through public assistance: that is only 15 percent of the total number of declarations of bankruptcy recorded during the same period. What about outside investments of the Regional Development Companies to strengthen company-owned funds? On the average 2.5 percent of their activity. And the lowering by three points of the discount rate this summer? It was all right for those who were paying the highest rates at 21 and 22 percent, not for those who were already benefiting, in view of their performances, from the lowest rate, 18 percent, similar to the one granted to the large firms. And the loosening up of credit? A manufacturer from Lyons reports: "Starting in mid-August my banker alerted me. The Bank of France was prescribing a return to the standards of a year and a half ago. The defense of the franc is a must."

As for assistance, it is often a long way from the announcement to actual aid, and from the speech to the file. For Mr Andre Chuzel, an old-timer from Bouygues, for the past 2 years general manager of a BTP [Public Works and Construction] firm which benefited last year, Gilles Bouyer Establishments, it was the experience of the summer. "When in July I saw that the elections were costing me two orders--a factory and a garage for the PTT (post office and telecommunications), 25 percent of my turnover--I thought in my extreme innocence that I was going to be one of those healthy businesses which were having troubles only temporarily. The reply: no, it is not for BTP. With amends being made by the government in August for this omission, I again rushed in to see my banker. The reply: no again, to be 'healthy' there must never be any overdrafts! In mid-October I learn from the statements made by Mr Delors and Mr Dreyfus that the latest thing is strengthening company-owned funds. Not discouraged, I go rushing back in again. CEPME's reply: 'Not you, BTP, it is too much of a risk.'"

It also happens that assistance from the state leads the business straight...to an accident. That is just what happened last year to Mr Pierre Lajoie, the boss of Bronze Industry. When, in mid-1977, the government was showering promises of assistance on Lorraine, while at the same time desperately looking for investors, he had a project: the creation of an affiliated firm for handling operations with the new machine that he had just designed, one that could centrifuge 20 or even 30-ton tubular parts, instead of the usual 3 to 4. A deal that was world-wide in scope. The capital of the affiliated firm (5.5 million francs), Tecnacem, is quickly raised through the Regional Development Company of Lorraine, SACILOR [Lorraine Steelworks Company], and a manufacturer in Moselle. The rest (6.1 million francs) is supposed to come from grants and bonuses from the state and long-term loans from National Credit. The green light flashes on in mid-July. Mr Lajoie is even going to be the first one to benefit from the new "short circuits" set up by Lorraine. The outcome? A release of funds in October 1979. A factory built after a year's delay and 20 percent above the original cost. A parent firm in the red for having built a machine for an affiliated firm that was unable to pay for it. And a vanished clientele. The overall situation in mid-1980: two companies faced with temporarily deferred lawsuits.

When they do not turn away in despair from this nonstop merry-go-round, when they accept the inextricable undergrowth of texts, the 1,000 counts of indictments, the 3,000 pages of the Labor Code which threatens them, employers are willing to accept the constraints coming from outside. But they intend to continue to be the boss at home. A matter of rights, but even more so of psychology. Witness this experience which actually occurred during a departmental meeting of 40 employers in the southwest of France 3 weeks ago. One hour spent on the first item on the agenda--additional costs for them coming out of the 1982 budget--and a unanimous outcry: "Only one strategy is possible. We must spread out our accounts, lay our figures on the table, and mobilize our wage-earners on our side!" On item number two in the same agenda, the Auroux report, the reaction is equally unanimous and violent: "Inform trade-unionists who are politicized and guided by remote control? Never! This report is unacceptable." And, on the contrary, they all start demanding, unanimously, the right for business committees to be elected on the basis of nonunionized lists starting with the first round. And then--still the same old tune--the unbolting of disbanding procedures. "Bet for bet, I wish it would be Mr Mauroy who would make one," Mr Jean Tellier exclaims. "And that for 2 years he would let us do the disbanding according to the need. Then he would see the results in terms of hiring!"

Claims which, at the present time, are sailing against the stream of history. But the small employers do not care about that. They readily come up with an old Arab proverb: "Beware! 'Tis the last blade of straw placed on the camel's back that makes the camel collapse."

Before and After: The President's Gifts

Before 10 May 1981

After 10 May 1981

Creation

* Agency for the Creation of Businesses (1978). In 1980: 18,000 contracts, 2,500 projects, including 25 percent actually carried out (one-fourth in industry).

* Guarantee Funds (May 1979). March 1981: 293 files handled and 98 million francs granted in credit.

** Tax abatement of 50 percent raised from 3 to 5 years for new businesses.

* Leave without pay for the creator, with "return ticket" to the original business (by means of a subsidy of 1 year's salary paid to the latter by the state) raised from 1 to 3 years.

Financing

Improved Loans

** Actual opening of equipment credit for small and medium businesses 1 January 1981: 16,000 long-term loans should be granted by the end of 1981, for a total of 7.8 billion (against 6.4 in 1980).

*** Overall funding for improved and superimproved loans raised from 13 to 22 billion for 1981 and the share allotted to small and medium industries further increased.

Before 10 May 1981

After 10 May 1981

Improved Loans (Continued)

*** In March 1981, 57 percent of improved loans were assigned to circuits oriented toward small and medium employers (CEPME-SDR) as against 60 percent previously in National Credit.

Participative Loans (March 1979)

*** CIDISE approved 436 projects and allotted 680 billion francs in loans.

* Participative bank loans: despite guarantee funds instituted in 1980 (endowed with 70 million francs), only 91 loans (for 95 million francs guaranteed) had been granted as of January 1981.

*** The funding for participative loans is raised from 1 to 3 billion, including 1 for the state, 1 to be distributed by banks and 1 by specialized establishments (National Credit, SDR and CEPME).

* Creation of a national guarantee fund to mutualize risks. Planned to be set up by 1 January 1982 with an endowment of 300 million francs.

* Assistance to businesses "of a personal nature" (less than 25 wage-earners and 10 million francs in turnover): 500 million francs in loans planned for 1982.

Innovation

*** Thanks to the regionalization of ANVAR [National Agency for the Valorization of Research] in 1979, 65 percent of the funding will henceforth go to small and medium employers and industries as against one-third before reform. I.e. in 1980: 838 small and medium industries helped by an amount of 360 million francs.

*** Large increase in ANVAR funding (760 million francs in 1982).

Export

* Two guarantee funds, 1 billion francs made available to the SDRs, CEPME and National Credit. New COFACE insurance procedures, etc.

* Support for small and medium industries requested of public businesses.

Before 10 May 1981

After 10 May 1981

Subcontracting

* Launching of "quality operations," large groups asked for "efforts."

* Nationalized businesses must annually present a "report" on their subcontracting policy.

Public Contracts

* Steps taken for publicity and the providing of incentives.

*** The discount procedure of CEPME (ex-CNME) is extended to purchases on invoices: 3,100 lines of credit opened in March 1981 for a total amount of 2.7 billion.

Exceptional Treasury Advances

* Off to a very slow start, this mechanism is gaining speed: 200 files submitted by mid-August, 600 by late September, 1,500 by late October. Eighty percent of files approved for an average amount of 600,000 francs. This assistance mechanism, considered very laborious, was to be stopped by the end of 1981.

Transfer of Businesses

* Lightening of taxation, SDRs can henceforth do transporting.

* A draft law should lift restrictions on the allocation of priority dividend stocks without voting rights.

*** Estate duties spread out over 10 years.

Simplification of Procedures

* Many steps taken.

* Creation of regional financial promotion units.

* Step that was of only slight effectiveness, was little used or is too recent for an evaluation of its effect.

** Attractive mechanism.

*** Very effective step.

X-Ray of Small and Medium Industries

1. Three out of four have less than 50 wage-earners

10 to 49 wage-earners	75 percent
50 to 99 wage-earners	13 percent
100 to 199 wage-earners	7 percent
200 to 499 wage-earners	5 percent

and 81 percent (as against 77 percent in 1978) will create affiliated firms, will subcontract or resort to automation to limit manpower growth.

2. One out of three works in metallurgy or textiles

Construction materials	5 percent
Foundry, metal-working	15 percent
Chemistry	7 percent
Mechanics	12 percent
Electrical construction	5 percent
Textiles, clothing	15 percent
Wood, furniture	9 percent
Paper, copying industry	10 percent
Agrofood	12 percent
Miscellaneous industries	10 percent

3. With 2,400,000 wage-earners, they achieved a turnover of 900 billion francs in 1980, i.e., 40 percent of the national production with 45 percent of the manpower in industry.

4. Almost all of them (92 percent) invested in 1980:

48 billion francs in total, mainly for the improvement of productivity (47 percent).

5. One out of three works through subcontracting, and their dependence with regard to their order-givers is growing: 46 percent achieve over 60 percent of their turnover through subcontracting (as against 39 percent in 1978).

6. One out of two exports:

24,000 small and medium industries exported in 1980 for a total of 113 billion francs (i.e., 27 percent of French exports), mainly equipment items.

7. Two out of five innovate.

Small and medium industries devoted a total of 5 billion francs to research in 1980. But 77 percent of them never applied for or acquired patents (66 percent look upon patent protection as being "illusory").

8. Fifty-eight percent use data processing (but only 31 percent are equipped), and 44 percent have automated equipment available, which has involved not a reduction in manpower, but an increase in personnel skills.

(Source: Equipment Credit for Small and Medium Employers.)

An Employer "Of Human Stature"

Is it the choice of reconciliation? The appointment of Mr Yvon Gattaz to the position of president of the National Council of French Employers is a choice which satisfies everybody: the ministers and the employers, Paris and the provinces, the technostucture and the field.

Aged 56, a native of Dauphine, middle-of-the-road and founder of a "human stature" business specialized in electronic components, Radiall, Mr Gattaz, upon reaching avenue Pierre-Ier-de-Serbie, broke up a line of major business leaders or leaders of the employers' federation established in 1945: Messrs Georges Villiers (1946-1966), from metallurgy, Paul Huvelin (1966-1972), from Kleber-Colombes rubber, and Francois Ceyrac (since 1972), trained within the confines of the confederation.

Neither an heir nor a manager, but the creator of a business movement of human stature (Ethic), and the successful author of a work on the life and death of employers: "The Men in Grey," published in 1970, afforded him a certain amount of celebrity. Today the combination of political and economic circumstances is doing the rest.

At a time when major employers are suspected of connivance or pouting, all of the government's appeals go to the lesser ones. Now pampered, now forewarned during the prime minister's tour around France.

There will be three ministers and a general secretary from the Elysee honoring with their presence the least representative portion of the body of employers, Mr Gerard Deuil's SNPMI [Company for New Processes for Mechanics and Industry]. Whereas Mr Rene Bernasconi, president of the CGPME [General Confederation of Small and Medium Businesses] lets his displeasure explode for want of being unable to contain that of his supporters.

Between troops in rebellion and an employers' "establishment" which, in the words of the outgoing president, Mr Francois Ceyrac, considers "the situation to be more serious than in 1936," Mr Gattaz appears to be the man of the happy medium. Extolling in 1980 ("The End of the Employers") the advent of a new breed of business chiefs who, "thanks to concerted effort and delegation of authority," will know how to give business "a patent on citizenship that will at last be respectable." Fighting in 1981 for accommodating the imposing of the work tool. And ready for 1982 to take on the change. A change which goes well beyond the presidential chair. Having become a meeting place for nationalized and private concerns, the CNPF is off on a search for a third route. The task of its new boss will be to revitalize this enormous apparatus which squares off French industry through some 650 occupational unions and 150 territorial unions. But that does not mean that the task of the former ones is over: all of those who felt fastened up in an apparatus often deemed too constraining will from now on be able to express themselves in other thought centers, more or less political or corporate-leaning. As they wish.

STUDY GROUP SEES LONG-TERM GAINS FROM DEVALUATION, WAGE PACT

Stockholm DAGENS NYHETER in Swedish 8 Dec 81 p 2

[Editorial by Nils-Eric Sandberg]

[Text] In the midst of the winter darkness the SNS [Study Association for Economy and Society] market council publishes a new report each year. Four independent economists make their own evaluation of the probable future of the Swedish economy. This time the council consists of Erik Lundberg (of course), Carl Hamilton, Lennart Hjalmarsson and Hans Tson Soderstrom, assisted by Christian Nilsson and SNS director Bengt Ryden.

Their report is a glimmer of light in the general darkness. In two ways.

The council feels the Swedish economy now (at last) has a good chance to recover. The devaluation in September restored industrial competitiveness and a marked increase in exports for 1982-83 plus a reasonable 1983 wage contract could lead to balance in the economy.

For those who are hardened by reading market forecasts the SNS council's report is a light point. Ordinary forecasts stand and (especially) fall on a number of debatable assumptions. The SNS report places a brief market evaluation in an analysis of the structural dislocations in the Swedish economy--a very fruitful analytical concept. There are some short but brilliant surveys of such things as locks on the labor market and goal conflicts in money policy.

To put it very briefly the reasoning of the council goes like this: Devaluation and the latest agreement reduced our relative wage costs to a competitive level; an anticipated reversal on the international market should drive exports up sharply; this can be the starting point for economic reorganization--under certain circumstances. These include a state moderation of the budget deficit to keep inflation down, a state restraint of wage increases along with a boost to industry by introducing the 1983 contract talks with something close to a wage freeze in the public sector; in addition "excess profits" in industry should perhaps be locked into "provisional cooperation funds."

All this to make sure the 1983 contract won't set off a new wage inflation that would stop industrial expansion once again.

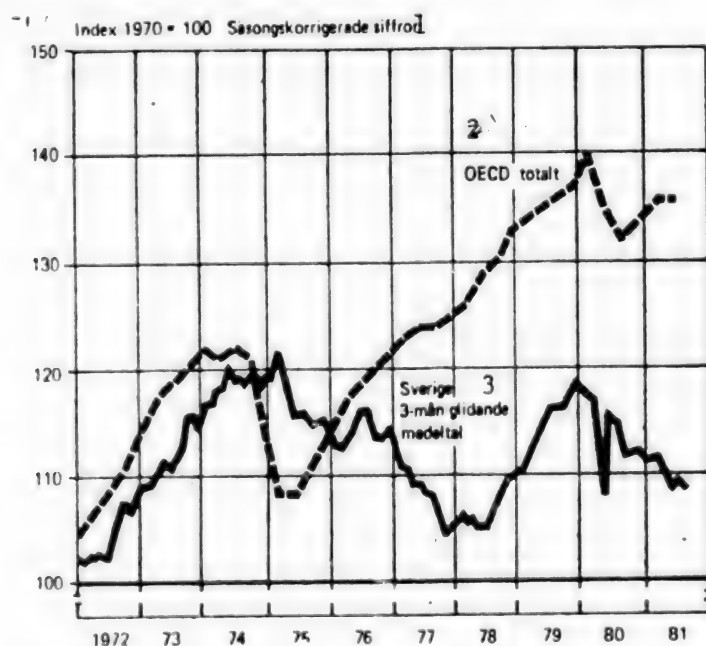
This expresses relative optimism in the sense that almost all the alternatives are more pessimistic. Unfortunately this does not mean they are less realistic.

Was the 10 percent devaluation in September adequate? The council raises the question without answering it. There are some indications that the answer should be no. The devaluation only neutralized the steady climb of the exchange rate of the kronan via the rise of the dollar in 1981. But the industries competing on the foreign market have not regained the share of the market they lost after the insane years of 1975-1976. And such a reconquest requires not only cost parity but cost advantages--especially since the total market is growing slowly.

From this point of view the devaluation was inadequate. And if we relate the exchange rate of the kronan to the quota between profitable industries and our total consumption the kronan seems highly overvalued. For the problem is that profitable production capacity is too small even though some industries are doing very well under their own power.

A devaluation is always the last resort; it also releases strong inflation pressures that can quickly nullify the effect.

But a wage and price freeze on everything except imports functions as a real devaluation: this lowers the relative costs of Swedish industry but does not have the same inflationary effect as an open devaluation.



Industrial Production in Sweden and OECD 1972-81

Key:

1. Index 1970 = 100. Figures seasonally adjusted
2. OECD total
3. Sweden, 3-month sliding average

There has been a falling trend in Swedish industry in production and employment. But despite the fact that unemployment has risen generally, industrial expansion in each upturn has been checked by a shortage of skilled workers. This indicates that wage relationships are incorrect: those working in industry are paid too little (after taxes) compared with public employees.

The SNS council suggests that before the 1983 contract the government put a ceiling on total wages in the public sector and ask for a wage freeze on all medium and high wage brackets in public service for 1983-85. One can of course object that the proposal simply has rational motives and thus ignores the higher value of union sovereignty. But it can work if the workers realize that they will still receive higher net wages via marginal tax reductions.

The objection is sure to be made that politicians won't dare do anything like this because it could be unpopular. But one can say to that that politicians have asked the voters for the job of assuming responsibility for economic policy. And now it is time for them to take care of their jobs for once. They are not elected to buy tactical advantages for their own parties with tax funds or to sabotage the opposition but to take responsibility.

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CS0: 3109/61

NEWSPAPER FORECASTS GNP GROWTH OF ONE PERCENT IN 1982

Stockholm SVENSKA DAGBLADET in Swedish 26 Nov 81 p 15

[Article by Olle Fahlen]

[Text] Next year Sweden's GNP will rise by barely 1 percent. It could be even less if the government and the Market Institute are correct in their consumption forecasts.

The downward revision from last month's forecast--when 1982 GNP growth was set at 2 percent--is due primarily to a changed view of the international market situation.

According to most previous assessments the total production of the industrial countries would rise 2 percent next year. This forecast was the basis for both the KI [Market Institute] fall report and the government calculations.

But now the growth forecasts for the OECD area have been revised downward by between a half and a whole percentage point. In its international survey on Monday the Industrial Association was counting on a GNP increase in the industrial countries next year of only 1.3 percent (1 percent in Western Europe). The OECD secretariat is expected to make a similar evaluation in its December report.

World Trade Predictions Revised Downward

This meant that forecasts for world trade also had to be revised downward. And even more than the GNP forecasts because of the large import element in marginal production changes.

Instead of 5 percent we must now expect that world trade in processed goods will rise only 3 to 4 percent next year. That will have a direct effect on Swedish exports.

The restrained expectations in the latest SCB [Central Bureau of Statistics] survey of industrial exports--no upward revision at all following the devaluation--may be due to a more pessimistic view of the international market.

Export volume can now be expected to rise from 6 to 7 percent next year. Last month's forecast, like the KI fall report, was 8 percent.

The evaluation still includes an increase of about 5 percent in the share of the export market for processed goods.

Declining Investments

But investment forecasts have also been revised downward, partly due to the poorer export prospects for industry.

According to the SCB October investment survey industrial investments will decline 9 percent this year and another 10-15 percent next year. KI is counting on a decline of 5 percent in 1982 (not a gain of 5 percent as reported recently due to a printing error in the institute's fall report).

The results of the survey should not be interpreted too pessimistically, plans could be revised upward. But an investment reduction of 10 percent is entirely possible.

At the same time the forecasts for housing construction must be reduced. KI is counting on a reduction of 5 percent there too. The Housing Authority fears it will decline by 18 percent in 1982 but made it 10-15 percent in its forecast.

In view of rising unemployment and the election next fall we can expect to see some stimulating measures, however. The decline has been put at 5 percent.



Next year Sweden's foreign market share will rise again. But market growth will be very weak and export volume will rise only 6-7 percent.

Key:

- | | |
|-----------------------------|--------------------|
| 1. Volume index. 1975 = 100 | 3. Swedish exports |
| 2. World trade | |

At the same time other fixed investments--authorities, business production, trade, other branches of business--are expected to decline a few percentage points. For total gross investments there will be a decline of around 4 percent.

Increased Consumption?

As a result of the fact that demand is rising more slowly than anticipated the forecasts of import increases have also been lowered. Production (GNP) is expected to increase a little over 1 percent in 1982.

But this forecast is based on the assumption that private consumption next year will increase once more after a reduction over several years. The government, however, thinks it will decline 1.5 percent. The Market Institute anticipates unchanged volume.

If the government's consumption forecast is inserted in the SVENSKA DAGBLADET forecast (without other adjustments) there is no GNP growth at all.

But it seems completely incredible that the government would allow private consumption to decline in an election year. Either the forecast is too low or else there will be some kind of stimulating measures leading to an increase.

November Forecast for Sweden

<u>Balance of Resources</u> <u>Demand</u>	<u>Billions</u> <u>of kronor 1980</u>	<u>Percentage volume change</u>		
		<u>1980</u>	<u>1981</u>	<u>1982</u>
Private consumption	266.5	- 0.2	- 2	1
State consumption	47.6	1.2	0	- 1
Municipal consumption	105.9	3.4	3	1
Gross investment	105.2	2.8	- 4.5	- 4
Inventory investment*	6.5	1.4	- 1.5	0.5
Domestic demand	531.7	2.7	- 2.7	0.3
Exports	154.9	- 2.4	0	6.5
Total demand	686.6	1.4	- 2.1	1.8
<u>Supply</u>				
Imports	167.4	1.4	- 7	3.5
Gross National Product	519.2	1.4	- 0.6	1.2
Total supply	686.6	1.4	- 2.1	1.8
<u>Other key figures</u>				
Industrial investments	18.1	18.5	- 9	-10
Housing construction	24.9	- 3.5	- 5.5	- 5
Consumer prices, Dec-Dec		14.1	10	8
Trade balance, billions of kronor		-10.7	- 1	- 1
Terms of trade, billions of kronor		-22.1	-17	-20
December unemployment, percentage		2.0	3	3.5
*Change in percentage of GNP previous year				

EMPLOYMENT OFFICE PREDICTS HEAVY STOCKHOLM JOBLESS RATE

Stockholm DAGENS NYHETER in Swedish 9 Dec 81 p 34

[Article by Borje Karlsson]

[Text] Unemployment in Stockholm County continues to rise. This winter the county labor board estimates that around 15,000 people will be without jobs.

The City of Stockholm will therefore put 75 million extra kronor into employment. That will be enough for jobs for 200 people in the winter and spring.

This was announced by personnel councillor Inger Bavner (Social Democrat) on Thursday. The money will be used for extra maintenance jobs at municipal buildings, schools and parks. Jobs will go primarily to construction workers. There is a high risk of unemployment in this sector during the winter half of the year.

"It is possible that later this winter we will mobilize even more money," said Bavner. "Employment is going downhill quickly even in the Stockholm region."

She pointed to some figures:

Last October 9920 people were out of work in Stockholm County. This October the figure was almost 13,000.

In October 1980 there were 9370 job openings in the county. This October there were only 4200.

"Young people, women, the handicapped and immigrants are the hardest hit," said Bavner.

Youth Unemployment Up 66 Percent

Among 18-19 year olds unemployment rose 66 percent from October 1980 to October 1981.

Bavner also indicated some employment measures the City of Stockholm has already decided on:

The number of people employed by the city will increase by 700 people (net) next year. There will be more jobs particularly in the areas of care for the elderly and childcare. That would benefit women, Bavner said.

The number of special jobs for young people from 18 to 24 will rise next year from 350 to 600--if the county labor board provides enough funds. As was done this year 375 special jobs will be arranged for the socio-medically handicapped. And 100 people with work handicaps will be employed with wage subsidies.

Six "youth centers" in various parts of the city will coordinate efforts for young people of 16 and 17 who lack both jobs and an opportunity to attend an academy. They will be offered job introductions, business-related educations, regular educations and in many cases jobs as well.

Bavner also mentioned that the school authorities and the central social agency had been given the job of "hunting up" the approximately 2000 students who leave elementary school each year without being able to read and write properly. They will be offered education through the Study Association.

6578

CSO: 3109/61

BRIEF

GOVERNMENT EMPLOYMENT DROPS--For the first time the number of state employees declined. According to the Central Statistics Bureau there were 374,000 state employees as of 1 March 1981 figured in full-time jobs. That was a reduction of 1300 people compared to the preceding year. The biggest reduction came in the armed forces and the highway department. Among others, the postal service, SJ [Swedish Railways] and the Telecommunications Agency grew. The number of part-time workers continued to rise and now accounts for 26 percent of state workers. The number of women working for the state is 170,000 and 47 percent of these jobs are part-time. Other jobs with state-regulated wages, in other words primarily school employees and insurance fund employees, rose by 3800 full-time jobs. Some 36 percent of these jobs are part-time. [Text] [Stockholm SVENSKA DAGBLADET in Swedish 27 Nov 81 p 26] 6578

CSO: 3109/61

GREENS' SCHUBART SEEN AS TYPICAL OF ECOLOGICAL MOVEMENT

Zurich DIE WELTWOCHEN in German 25 Nov 81 p 17

[Article by Jeurgem Roth: "Head of the Opposition--Alexander Schubart: Spokesman for Frankfurt's Airport Blockade"]

[Text] Hundreds of thousands have signed and almost as many have demonstrated: but the fight against a new runway at Frankfurt/Main has now taken not only quantitatively large, but also violent forms. One of the leaders is a hitherto unknown man by the name of Schubart, whose radicalism is typical for a widespread leftwing ecological movement in the FRG.

Alexander Schubart has not until now been widely known in the FRG. But almost overnight his name could be found in national and international headlines. "Spokesman for the Frankfurt Airport Blockade. Activist of Considerable Eloquence. Violent Criminal. A Man who violates the Constitution." Those were the headlines Monday before last in the German media when he led a demonstration march of 100,000 people. They demonstrated against construction of the west runway. In his capacity of spokesman for the "Working Group People's Wants and People's Decision Against the West Runway" he handed 200,000 signatures to the Land supervisor of elections. The "People's Wants" had been legally registered. But at the same time, chainsaws were shrieking in the Frankfurt forest and innumerable trees were cut down. To Schubart, this was an aggravated violation of the constitution, because it made a mockery of the people's desires. His outrage against the Hesse Land politicians who did not worry about what the people wanted caused him to proclaim a non-violent blockade of the Frankfurt airport for the following day. The result were clashes between anti-runway people and the police, causing 300 injured. The guilty party was quickly identified: Alexander Schubart, the head of the opposition to the West runway. At the request of constitutional authorities, the public prosecutor's office is taking steps to indict him.

Outrage Against Hesse Land Politicians

Frankfurt's Chief Mayor Walter Wallmann (CDU) immediately suspended him from his job as a lawyer in Frankfurt's city government. Schubart, 50, is the son of a lawyer who in 1933 defended communists against the Nazis in Jena. By the end of the war, Schubart had lost his parents. After 1945 he worked at learning the mason's trade by day; at night he attended special classes so as to pass his high school graduation

exams. Finally having earned a law degree he not only joined the SPD; he went to Bonn as an assistant in the SPD Bundestag parliamentary group. In 1966, at the start of the Great Coalition, he quit that position. Since then, Frankfurt has been his home and his place of work. As a lawyer and local government official he was responsible, among other things, for the construction control authority and in that capacity he formed in the early 1970s a close relationship with the SPD, which then still controlled the city parliament, and the speculators. Within his party he protested against the destruction of living space and appealed for a city devoted to human justice. In 1978 he quit the SPD in disappointment; for him it had become a party of repression, a party which had no understanding for ecological problems.

From the SPD to the Greens

The uncompromising Schubart joined the Greens, who had after all won 3.4 percent of the votes in 1978; Schubart was its top candidate. These Greens, who had in the meantime become a powerful factor in Hesse, evolved into a political alternative because they practiced "basic democracy"--his idea of a just society. But now Alexander Schubart has gained, surely without meaning to, great influence in other political areas.

Schubart is one of those politicians who hope for a split within the ranks of the SPD. Schubart sees in such a new leftwing ecological political splinter party a political alternative which in his opinion would be worth fighting for. As he urgently puts it to his green friends, such a party must be a synthesis of the social, ecological and peace movements.

Schubart does not have charisma; rather, he is a rational thinker and a politician given to sober arguments who is immovably convinced that he is on the side of the best arguments. This conviction is the inspiration for his radical politics.

Schubart is a man who may suddenly become important throughout the FRG. An activist fighter for new political power? He himself does not think so. But those manifestations of political dissatisfaction which became evident in the west runway example are always looking for spokesmen who are able to transform dissatisfaction into their personal politics.

9273

CSO: 3103/159

STRAUSS ON DISARMAMENT, SCHMIDT, BREZHNEV

Criticism of Schmidt

Munich SUEDEUTSCHE ZEITUNG in German 24 Nov 81 p 5

[Report: "Strauss Says Schmidt Has Overdone It--Bonn Cannot Be Arbiter Between World Powers"]

[Text] Munich (REUTER)--Bavarian Minister-President and CSU Chairman Franz Josef Strauss has accused Federal Chancellor Schmidt of pretending with 19th century Prussian demeanor, a la Bismarck, that he has brought the world powers to the negotiating table. In trying to create the impression that "with a right Titan's arm and a left Titan's arm he has brought the Russians and the Americans to one table," Schmidt had "overdone things a little." It was not up to the Federal Republic "to play the role of arbiter between the world powers." Furthermore, it had "not been clever" to conclude before the Brezhnev visit the German-Soviet natural gas deal which the Americans had warned against.

Strauss regards as "pure nonsense" any hopes for a so-called zero option at the pending U.S.-Soviet negotiations about limiting medium-range missiles in Europe. After his return from a week's trip to Japan and China, he said in Munich on Monday [23 November] that U.S. President Ronald Reagan and Schmidt assumed that the Soviet Union must reduce the number of its missiles, but this was the very thing the Soviets were rejecting, because in their view parity had only just been reached.

Rather, what the Soviets meant by zero option was for the West not to install a single medium-range missile and for them not to have to remove any. At the much less important Vienna troop reduction talks, too, there had been "nothing but talk and not a single millimeter's progress" for 8 years.

The CSU chairman emphasized the fact that he did not expect "anything at all" of the visit of Soviet head of state and party chief Leonid Brezhnev. At best the visit had a strategic or psychological significance for the Soviets, with "perhaps hopes being aroused" or "cryptic threats" being uttered. Following the submission of the Reagan plan for disarmament negotiations, the moment of truth would not arrive until the Geneva negotiations, however.

Strauss announced that at his meeting with Brezhnev today he planned to talk primarily about disarmament questions, but in light of the brevity of the conversation he "did not have any expectations." Nor would he be a messenger of the Chinese after his detailed talk with Chinese deputy party chief Deng Xiaoping.

Concerning his talks in Peking, Strauss said that the Chinese leadership was "not in the grip of Brezhnev fever" as a result of the state visit to Bonn. He had, however, noted some new accents in Chinese foreign policy in his talks with Deng. For example, the Peking leadership affirmed that "China is no enemy of the Soviet Union but is disappointed about the negotiations about the boundaries and normalization of relations not having had any results in 12 years." The "clearest change of accent" compared with his last visit to Peking, however, was the fact that the Chinese no longer supported the thesis of the inevitability of the next world war. Rather, they now held the view that such a war could be avoided if the United States, the Europeans and the Third World realized the danger of Soviet "hegemonism" and remained vigilant.

Strauss on Brezhnev Visit

Zurich DIE WELTWOCHEN in German 25 Nov 81 p 3

[Interview with Franz Josef Strauss by Hans O. Staub and Peter Hartmeier about the Brezhnev visit, the Reagan plan and the Chinese: "The Backdrop of Threats by the Soviets"]

[Text] The day after Leonid Brezhnev arrived in Bonn, CSU Chairman Franz Josef Strauss returned to Europe from a trip to Asia which had taken him to Tokyo and Peking. In an interview with DIE WELTWOCHEN he explains his skepticism about the Brezhnev visit which has just taken place.

WELTWOCHEN: Did you think this was the right time for a visit by Leonid Brezhnev?

Strauss: One can differ greatly about that. One only needs to figure the "timing"--the latest events--to become skeptical.

WELTWOCHEN: What events do you mean?

Strauss: I am thinking of the threatening statement by Brezhnev and other representatives of Soviet armament or disarmament strategy sent ahead and the scheduling of the so-called peace marches in Holland at the particular time. I am also thinking of the conclusion of the biggest German-Soviet deal in the history of the Soviet Union and a German state.

WELTWOCHEN: This means you are criticizing the natural gas supply treaty with Moscow.

Strauss: The conclusion of this treaty--and I say so being aware of the existence of erroneous statements to the contrary--is being regarded as hardly a friendly act of Bonn's by the Americans.

WELTWOCHÉ: Surely Bonn was justified in having a particular interest in Brezhnev's visit, though.

Strauss: At this time Brezhnev can hardly take a trip anywhere if it is a question of an important political place. To put it concretely: There is no point now in his going to Washington or London or Paris--or, incidentally, to Stockholm either, because he sent the wrong advance party there. It goes without saying that he is also persona non grata in Peking, and in Tokyo he is not considered welcome either. This only leaves Bonn as the starting point of Soviet psychological warfare rather than as a focal point of the policy of detente--and I mean detente in quotation marks.

WELTWOCHÉ: Should Bonn not exercise any pressure on Washington?

Strauss: It should not, because such pressure only aids the strategic plans of the Soviet Union. If it is in the Soviets' interest to go to the negotiating table because it thinks it can make its aims prevail there, it does not need Mr Schmidt for that.

WELTWOCHÉ: And the Americans?

Strauss: Surely President Reagan's four-point plan demonstrates that a certain kind of wishful thinking by politicians fighting for survival in Bonn has been rendered meaningless.

WELTWOCHÉ: Do you regard Reagan's plan as a tactical feint?

Strauss: No, I do not. If there is now talk of a "zero solution," it must be stated quite clearly that the Russians mean something different by it than the Americans. The Soviets think that there already is a zero solution and that any installing of a U.S. medium-range missile on European soil represents a violation of that zero solution. Reagan, on the other hand, very clearly spoke of a removal of the SS 20's--not just of a withdrawal behind the Ural Mountains, which in light of these mobile weapons systems would not change anything about the threat. Then there is the evocation of the MBFR negotiations in Vienna, which have been going on for 8 years without the slightest result so far. And thirdly there is the demand for including all strategic weapons, which means that Reagan regards SALT I as out of date and that SALT II in the form signed by his predecessor, President Carter, is being rejected. Further, the four-point plan demands measures designed to create trust, and here the West cannot help including the withdrawal of Russian troops from Afghanistan.

WELTWOCHÉ: You have conducted talks in Bonn with Soviet representatives preparatory to the Brezhnev visit. Would you, however, acknowledge the fact that the Russians are serious about negotiations?

Strauss: Whereas for the West coexistence, detente, disarmament, limitation of armaments and control of armaments are aims in themselves, to be attained in the interest of all mankind, for the Soviet Union those five concepts are primarily a means of psychological warfare, of making its own strategic aims prevail--in case of doubt, with a view to its own strategic superiority while the freedom of action of the other side is reduced at the same time.

WELTWOCHÉ: In light of historical experience, the Soviet Union might actually be afraid of external danger.

Strauss: It is part of the essence of Russian history for the Russian empire to have become ever larger in the course of defending its security. One can speak of the Soviets having a downright morbid fear about security. But this is not the only thing, of course. Its giant military machine does not primarily serve the purpose of triggering a big war with the intention of winning it but is intended for constructing a backdrop of pressure and threats to make it easier for political arms to prevail, to make it possible in the respective preparatory stage to intimidate people to the point of paralysis (think of the rabbit faced with the snake) and to make it possible to keep the population in the forcibly allied area under control.

WELTWOCHÉ: How do you assess the climate of opinion in which this visit by Brezhnev took place? We have in mind such slogans as neutralism discussions and peace movement.

Strauss: The climate of opinion is vacillating between euphoria and skepticism. If one has experienced in one's youth the jubilation about the Munich agreement, one realizes that such feelings are utterly meaningless until the cards are laid on the table. In addition to its woodcut kind of clarity, the Reagan plan has yet another advantage: it will speed the arrival of the moment of truth concerning the Soviet Union's goodwill. It will become clear very soon what "peace in our time" [quoted in English] means.

WELTWOCHÉ: Were you able to observe a detente between Peking and Moscow during your visit to China?

Strauss: No. But this reply must not be interpreted to mean that there is a danger of war. I am firmly convinced that, quite apart from great domestic problems and inclusive of the fact that their conventional armed forces are very antiquated, the Chinese are in no way prepared for a confrontation. Chinese policy is not aggressive. Nor do the Chinese aim at having poor relations with the Russians. For the first time after my return to Europe from Peking, I would like to state the following here: During my last visit to China in 1975, when in part I talked with the same people, the coming "big war" was always stated to be unavoidable. This attitude is not to be noticed any longer. Such a confrontation is not considered inevitable any longer.

8790

CSO: 3103/147

ROLE OF SCHMIDT, EUROPE IN EAST-WEST DETENTE

Hamburg DIE ZEIT in German 27 Nov 81 p 1

[Article by Theo Sommer: "Now It Is the Turn of the Big Ones--The Chancellor as Interpreter between Moscow and Washington"]

[Text] All of a sudden international affairs have been set in motion again. In the middle of last week U.S. President Ronald Reagan--at last--submitted a disarmament program. Thereupon the Soviet leader, Leonid Brezhnev, in Bonn professed his desire to strive not only for limiting but for decreasing medium-range missiles in Europe. And after a couple of wasted years Americans and Russians will sit down together again next Monday to discuss armament control. The federal chancellor can breathe easily again.

For a couple of years Helmut Schmidt has warned and pushed both in the Kremlin and in the White House. First, in summer 1980, he caused Brezhnev to negotiate about Euro-strategic weapons--something the Soviets had rejected stubbornly after the NATO counterarming decision. Then, in spring this year, he talked Ronald Reagan and his new team into agreeing to such negotiations--which entirely ran counter to the original intention of the Reagan team. Next spring the talks about limiting the large missile weapons of the superpowers will be resumed. The time of speechlessness between Moscow and Washington is past.

It certainly is inappropriate to harbor any illusions; there is too great a discrepancy between the stands of the Americans and the Soviets for that. Although both advocate a "zero solution," each means something different by it--Reagan that NATO's counterarming will become unnecessary if the Russians scrap all their medium-range (SS 20, SS 4, SS 5) missiles, Brezhnev that there will be no Western counterarming (with his in turn at best holding out the prospect of a reduction, couched in vague terms, of his own medium-range weapons in the European part of the Soviet Union).

The last word has not yet been spoken concerning this, however. "Zero is better than nothing at all": that witty headline in the GUARDIAN recalls something experience has shown, namely that while the big powers have always taken maximum positions before any talks, such positions are not immutable by any means. That is the way it has always been; so why should it be any different this time?

It is not that the talks will be easy. Inevitably there will first be a phase of "counting the beans" during which the negotiators try to agree on what kind of arsenals the powers actually have. Then the realization will prevail that neither side can force through a zero solution after its own taste. In the end compromise packages will be put together, with staggered plans and phased programs being drafted. Helmut Schmidt has already announced that he will exercise a great deal of influence in the course of the negotiations "in order that something reasonable may come out of them." Though conference crises cannot be ruled out, there will be agreement in the end.

Reagan's Dream Part

The federal chancellor can claim credit for having set the dialogue of the big ones in motion again. His constant talking (and perhaps also the psychological pressure emanating from the European peace movement) induced Ronald Reagan in the 11th month of his administration for the first time to coherently formulate his concept for disarmament. You can bet anything that if Reagan had done so sooner, if, in lieu of nothing but martial ricochets from the Pentagon and State Department, similarly clear and weighed words from the White House had announced U.S. international policy sooner, the peace movement would not have shot up so dramatically in the first place. No more mention of linkage--of the fact that armament control presupposes proper Soviet behavior throughout the world. No more mention either of the goings-on in El Salvador or Nicaragua or Chad being more important than the relationship between Moscow and Washington, or of the fear of our nuclear-weapons world being completely unfounded. The U.S. President's adjustment to reality has made substantial progress. It is not impossible that the role of president of peace will become the dream part of the former movie actor.

Is Brezhnev going to match the new Reagan? Or is Soviet policy going to hold on to the series of impertinences which Kremlin spokesman Zamyatin served up to the German public--that there have been SS 20's since as far back as 1975, that no one has ever said that they threaten Hamburg, Cologne or Bonn, that (implicitly) a threat to Soviet territory by Western medium-range weapons is not the same as West Europe being threatened by Soviet missiles? Helmut Schmidt has put it to the lords in the Kremlin quite differently on several occasions--in 1978, 1979, 1980 and again now--saying: We appreciate the Soviets' uneasiness, but in turn they have to appreciate our being concerned. Does Brezhnev appreciate this? One thing at least he must have come to realize: that the chancellor will permit the stationing of the new NATO weapons at the end of 1983 if the negotiations have not been successful by then.

It really is amazing: 35 years after the war, the Federal Republic has become an interpreter between the superpowers. Not a broker, not an arbiter, not a mediator, but an interpreter. Helmut Schmidt explained the U.S. position to Brezhnev, and the general secretary reciprocated by voicing the hope that the chancellor likewise would elucidate Moscow's attitude in Washington. All this without even the shadow of a suspicion that the Federal Republic is about to become a floating kidney.

The federal chancellor has not done any harm to his prestige. Nor has he given away anything. Rather, at a difficult time, he has acted in accordance with a

principle which at one time he formulated in a circle of intimates like this: "We are not small enough to always shut up, but we are too small to be able to do more than talk." And in the process, without betraying the overall Western interests in the slightest, he emphatically brought into play the special German and European interests.

It is a basic German interest to actually avoid avoidable confrontations. As long as we still keep reunification in mind, we have to tell ourselves at the same time that nothing would benefit it less than a series of crises, let alone confrontations, between East and West. Nor would it benefit our current policy, which aims at a parallel existence, with the least possible number of problems, of the two German states on the basis of a temporary (perhaps definite?) nonreunification.

The Task of the Europeans

Parallel to this there exists a basic European interest in avoiding or defusing confrontations, because that is the only way the states of our divided continent can develop beneficially toward one another. This means that wherever their bodes well one must prevent tensions in distant areas of the world from having repercussions on Europe. Here Europeans in both camps have the task always anew to exercise a moderating influence on their respective dominating power and, all the concern for their own security notwithstanding, to keep open the future prospects of cooperation. This is particularly important just after and before changes in leadership in Washington and Moscow.

Interpreting cannot replace direct contact between those in charge in the Kremlin and the White House, however. The chancellor therefore did right to call on Ronald Reagan and Leonid Brezhnev to meet in 1982 and to stop communicating via third parties. The world indeed needs a sign that the leaders of the two superpowers are not avoiding each other but want to listen to one another.

For too long have they been reacting to each other in accordance with the Rorschach test principle, the dramaturgic law of the film "Rashomon" or the lack of differentiation on automobile stickers. In the Rorschach test, each person reads his own hopes and fears into the inkblots. In "Rashomon" one and the same event is described utterly differently by various persons involved, each claiming to be in the right and to be truthful. In the case of automobile stickers, long chains of thought become slogans that put an end to argument: detente--capitalism, no thanks--nothing is any good. This only creates tension. There occur misunderstandings which then assume a validity of their own and solidify their miscalculations. A mobilizing spirit replaces the desire for cooperation, and frivolous readiness for confrontation takes the place of continual striving for coping with conflicts.

For a couple of years--not without success--Helmut Schmidt has been trying to rid the two superpowers of this dangerous mental attitude. The reproach that he overdid things is not valid. The federal chancellor has adhered exactly to the prescription in his book "Strategie des Gleichgewichtes" [Strategy of Balance] (1969): "If an FRG government were to stretch our freedom of action,

we might suffer. An eye for what is possible is the most important quality required of German policy between the two world powers."

The chancellor has provided some impetus. Things are in motion again in international affairs--for the first time since the Iranian hostage crisis and the Soviet invasion of Afghanistan. Now it is the turn of the superpowers.

8790

CSO: 3103/146

STALINISTS MAKE FINAL BREAK FROM SKDL PARLIAMENTARY GROUP

Helsinki HELSINGIN SANOMAT in Finnish 18 Dec 81 p 16

[Article by Ritva Remes: "FCP Chairman Aarne Saarinen After Split of Parliamentary Faction: I Cannot Lead a Divided Party"]

[Text] "I will not remain the chairman of a divided party, that is clear," stated Communist Party Chairman Aarne Saarinen on Thursday after the SKDL [Finnish Peoples Democratic League] parliamentary faction became divided in the parliament. Saarinen added that he had not yet made a decision on his resignation, but he intends to see what will happen.

The decisive situation from the point of view of Saarinen and the whole Communist Party is the extraordinary congress to be held most likely in the spring. If the SKP [Finnish Communist Party] makes a final split, it will occur at the congress. A split will also mean Saarinen's resignation whether he wants to or not.

The first signs of party unity or division will be seen at the meeting of the Central Committee in February. If the Central Committee begins to purge Taistoites from the party, the purges will deal with the policy-making committee [Politburo] in the initial stage. At this time there are pressures for such purges within the ranks of the majority.

A purging of the Central Committee would require an extraordinary congress, which will elect a new central committee.

However, housecleaning in the Central Committee is a difficult matter at a congress. For example, the so-called third line, which attempted to change the party leadership, remained in the minority when the Taistoites were able to get a portion of the majority or "the majority's minority" to side with them.

The majority, which wanted to change the party leadership, proceeded from the fact that SKP Vice Chairman Taisto Sinisalo, the leader of the minority faction, and Saarinen, who are the most visible symbols of the division within the party, should be pushed aside in the name of unity.

However, the Taistoites and the majority's minority formed a new majority at the congress, which elected Saarinen and Sinisalo. The reelected leaders were able to bring about a new state of unity. Representatives of the Soviet Communist Party worked actively on behalf of Saarinen and Sinisalo at the congress.

Faction Split Over Employment Funds

Both Saarinen and Sinisalo have been leaders of the party since the beginning of this period of division and dissension.

The Communist Party became realistically divided in 1966 already when the 14th Congress of the SKP pushed aside the old leaders of the underground Stalinist era beginning with Chairman Aimo Aaltonen. Aaltonen's supporters formed a faction and Sinisalo became its leader.

Taistoite leader Sinisalo lost his seat in the last parliamentary elections and was thus not present at the final phase that resulted in the split of the parliamentary faction. However, Sinisalo is the guiding force of the minority members in the background.

The Taistoites were suspended from the parliamentary faction automatically on the basis of previous decisions. Negotiations, which were conducted until the very end, concluded on Wednesday evening when Taistoite Esko-Juhani Tennila proposed a billion-markka increase in employment funds in next year's state budget.

A portion of the majority was still expecting on Thursday that the Taistoites will back down and not vote for the billion-markka increase. The Taistoites, on the other hand, held out the hope that at least a portion of the majority wing would vote together with the Taistoites.

Saarinen Walked Out

SKP Chairman Aarne Saarinen walked out when a vote was taken on the principal section of the Social and Health Ministry. The next issue to be voted on was the Ministry of Labor, in whose connection Tennila's proposal came up for a vote.

During this vote Aarne Saarinen was eating in the parliament's restaurant. The rest of the SKDL faction was in the chambers and voted.

Tennila's proposal was rejected by a vote of 162--18. In addition to Tennila and the Taistoite faction, the billion-markka proposal was supported by the SMP [Finnish Rural Party] and Helvi Hyrynkangas and Anneli Kivitie of the Liberal Party.

A few moments later the Taistoites voted for two other proposals on the income side of budget. Marja-Liisa Salminen's proposal concerning the elimination of the increases in interest on housing loans was rejected by a vote of 151--16. Another proposal by Salminen concerned an extension of the payment period for housing loans to 45 years and this was rejected by a vote of 138--20. The SMP, the Liberal Party's Hyrynkangas, Jaakko Itala, Kivitie, and the Christian League's Antero Juntumaa voted with the Taistoites.

Majority Communist Pauli Uitto's proposed resolution to the budget's general arguments was supported by the majority faction as well as the Taistoites. Uitto's proposal concerned the retention of the value of unemployment compensation and cash-assistance and was rejected by a vote of 119--35. In this vote the SKDL was joined by the SMP.

"An Unworthy Spectacle"

Aarne Saarinen heard the results of the vote on the employment funds in the parliament's restaurant.

Saarinen, who seemed somewhat irritated, was not particularly surprised since he had anticipated such a result.

Saarinen did not attempt to prevent the split by proposing on Tuesday at the majority's negotiations that the majority could support Tennila's billion-markka proposal. A clear majority was, however, of the opinion that this will not work.

In Saarinen's opinion the faction split "in an unworthy manner".

"The minority's proposal would not have brought any results or improved employment and would thus have been a mere expression of opinion.

"On the other hand, the majority's uncompromising behavior is also difficult to understand if the real background is taken into consideration. The government's situation would not have become more difficult even if the majority had voted for the employment fund. It was only a question of not giving in.

"The spectacle was unworthy and in general I do not like to watch unworthy spectacles," stated Saarinen in explaining his absence.

Party Is Disintegrating

According to Saarinen "it unfortunately seems that the disintegration process of the Communist Party has begun". The minority has consciously excluded itself from the parliamentary faction until the elections are over.

The minority has its own uncompromising background force and the members of the minority are concerned that they will lose the confidence of these background forces if they conduct themselves in any other manner. This would result in the fact that they will no longer be elected to their present position, estimated Saarinen.

It is also a question of traditional behavior, which is difficult to give up. The minority has a fear that they will be labelled class traitors and revisionists, continued Saarinen.

Minority Attempting to Overturn Suspension

After the suspension of the minority faction or the Taistoites from the group Saarinen and the minority, in particular, emphasized that the party must still strive to achieve unity.

When the Central Committee meets in February, during the convening of the CSCE, unity should be restored at that meeting, stated Saarinen. Otherwise he will resign from the party's leadership.

After the vote the Taistoites issued a statement. According to it the proposal

resulting in the split was "a stand on behalf of those who are unemployed and under the threat of unemployment and against those who would allow unemployment to become worse". The Taistoites also declared that they will work on behalf of restoring unity to the group.

Esko-Juhani Tennila, who made the billion-markka proposal, stated that the minority will now attempt to overturn the suspension decision.

The SKDL parliamentary faction, which in addition to members of the Communist majority includes five People's Democrats, recorded the suspension of the Taistoites in the minutes of the faction's meeting.

The suspension of the Taistoites from the parliamentary faction means in practice that they will not participate in meetings of the SKDL parliamentary faction. However, they will continue to participate in the parliament. The Taistoites stated on Thursday that they will not form their own parliamentary faction, but will continue to act in the same manner as before in connection with the suspension.

In addition to Tennila the 11 suspended Taistoites are Aarne Koskinen, Mikko Kuoppa, Ensio Laine, Pentti Liedes, Pauli Puhakka, Irma Rosnell, Marja-Liisa Salminen, Marjatta Stenius, Sten Soderstrom, and Seppo Toiviainen.

Hardliners Against Hardliners

In the Communists' conflict it has been a case of a hard line against a hard line. Arvo Kempainen, Lapland's Mikko Ekorre, and Aulis Juvela from the northern election district of Turku Province, who were christened the generals of the rebellion at the last congress, are the leaders of the majority's hardest line.

In addition to Taistoite Pauli Puhakka, Marja-Liisa Salminen has been subjected to strong background pressures from Markus Kainulainen, who lost his seat in the parliament from Uusimaa District in the last elections. It is considered that Seppo Toiviainen's pressures are the result of the fact that he must demonstrate his ability as a new leader of the Taistoites if Sinisalo is pushed aside.

The congress expected to be held next spring is considered to be a near axiom. It has already been proposed by four SKP districts, Kainuu, Oulu, Satakunta, and Keski-Suomi. The convening of an extraordinary congress requires the proposal of six district organizations.

If the congress changes its leadership, Labor Minister Jouko Kajanoja has risen as a serious contender to Aarne Saarinen's position. The split of the parliamentary faction determined Kajanoja's fate after he delivered his first actual speech in the parliament during his term as minister.

Aarne Saarinen has previously proposed SKP First Secretary Arvo Aalto as a possible successor. In the early part of last spring Aalto resigned from his position as labor minister because of preparations for the summer's congress.

However, Aalto is a contradictory individual in the SKP. Recently the majority has looked askance at Aalto's fraternization with the Taistoites. Arvo Kempainen,

who was mentioned as one of the candidates for the chairmanship at the last congress, lost his chance after making too many jokes in Moscow. After that he fell into disfavor as a leader of Moscow's SKP circles.

10576

CSO: 3107/39

PAPER COMMENTS ON STALINISTS REVOLT FROM SKDL

Helsinki HELSINGIN SANOMAT in Finnish 18 Dec 81 p 2

[Editorial: "Communist Faction's Fateful Split"]

[Text] Things went badly for the SKDL's parliamentary faction on Thursday: it split in the budget vote, with apparent finality. The last straw was the vote on unemployment funds, to which the minority known as Taistoites made an imaginative 1 billion-markka proposal of additional funds knowing that it had no chance of being approved. It was rejected by a vote of 116--18.

It was this vote that was awaited with great interest by Communists as well as the whole parliament. The faction's majority had previously in the fall disciplined the minority members for acting independently by suspending some of them from the faction for a certain period of time. Thursday's vote according to previous decisions means that all 11 Taistoites will be excluded from the faction until the elections are over.

This incident is historic for Finnish Communists. Similar splits have occurred previously in other parties. The so-called six did this in the Social Democratic Party in the 1940's, Veikko Vennamo who left the Agrarian League in the 1950's, and the majority in the SMP [Finnish Rural Party] faction which deserted it for the Unification Party's faction in the first part of the 1970's.

There are naturally several reasons for this behavior on the part of the Taistoites. The chief among them are personality conflicts. But they also consider themselves to be the only correct interpreters of Marxism-Leninism and the decisions of the party congress. They have opposed the participation of the SKP in the government for the whole time that the SKDL has been in the government. This opposition has also manifested itself several times previously in the form of dissenting voting behavior. Thursday's vote was thus not unique.

The objective of this separatism on the part of the Taistoites has, of course, been to increase their support and authority in the party. So far it has failed: their support has decreased. Now they are attempting to place themselves in the limelight because of the presidential elections. Since attendance at campaign functions has been low, something had to be done to attract attention more effectively.

However, this method is hopeless since it only gives a more divided picture of the

minority as well as the whole SKDL camp. It also has a negative effect on the moderate election campaign being conducted by the SKDL's presidential candidate. And it was also a personal defeat for the SKP chairman, who tried to conciliate until the very end.

The party is now most likely faced with a difficult clarification of differences and possibly an extraordinary congress of the SKP in the spring as well as a purge, which the minority fears. A situation in which we will have two communist parties is scarcely far off.

10576

CSO: 3107/39

SOVIET PARTY YOUTH LEADER ATTACKS CP'S KEMPPAINEN

Helsinki HUFVUDSTADSBLADET in Swedish 20 Nov 81 p 22

[Text] The majority communist parliamentary member, Arvo Kemppainen, has become the object of an official censure by high Soviet authorities in connection with the "funny" stories he related during a visit to Moscow in September. Kemppainen is accused of being guilty of "crude attacks on the Communist Party of the Soviet Union and on the leaders of the Soviet state."

This strange affair began in September when Kemppainen visited Moscow as a member of a delegation consisting of some young members of parliament. At an obviously informal affair at the home of Counselor Arvo Kostinen from the Finnish embassy, Kemppainen told, in addition to several "Kekkonen jokes," the following story:

"After Aleksey Kosygin, the head of the government, had given up his duties for reasons of health, a delegation from a brother party from a friendly neighboring country visited the Soviet Union. Comrade Brezhnev was asked why Kosygin was dismissed. Brezhnev answered, 'He was not dismissed. He requested retirement for reasons of health.' And Brezhnev continued, 'The situation was, you understand, that Comrade Kosygin had become quite old. He did not think as sharply as earlier and did not understand everything that was said. In addition he was beginning to be quite forgetful. For example, he had borrowed my tin soldiers for 2 weeks and still has not remembered to return them.'"

Trouble Over a Visa

The first consequences of this story-telling became public in October, when it became evident that Kemppainen was denied a visa for a trip which he was going to make to the Soviet Union as the leader of a delegation consisting of district leaders of the Finnish Communist Party. It was made clear that Kemppainen would indeed get a visa if he did not lead the delegation. Kemppainen, on his part, chose to cancel the trip completely. The delegation was then led by Jarmo Wahlstrom, the chairman of the parliamentary group.

On Wednesday the vice-chairman of the committee of youth organizations in the Soviet Union, Boris Petrov, in Moscow called the correspondents of KANSAN UUTiset and TIEDONANTAJA in for a meeting and informed them that, among other things, KANSAN UUTiset had published stories "which do not correspond with the facts" regarding Kemppainen's behavior. According to Petrov, Kemppainen was guilty

of "crude attack on the Communist Party of the Soviet Union and leaders of the Soviet state." According to Petrov, the chairman of the Finnish delegation, parliament member Markku Kauppinen (Center Party) and embassy counselor Kostinen immediately offered an apology in regard to Kemppainen's behavior.

Apparently Petrov's censure was an answer, particularly to the explanation which Kemppainen himself had made public in Finland. At the same time it was confirmed that the incident during the party at the home of embassy counselor Kostinen was the basis for the visa trouble in October.

"Exaggerated"

Arvo Kemppainen has already previously stated that it is absurd that story-telling of this kind should have such serious consequences. Now he says that the official censure "gives the impression of being excessively self-defensive," thus clearly exaggerated. He states emphatically that it was not his intention to offend anyone. Moreover, he is amazed that the censure comes 2 months after the visit to Moscow.

"A Taisto Operation"

Kemppainen's own theory is that the domestic communist majority is behind the whole thing. The purpose is to eject Kemppainen from the politbureau of the Finnish Communist Party. Kemppainen gained the displeasure of the minority when, during the congress of the Finnish Communist Party, he acted as leader of the "revolt" which wanted to replace not only party chairman Aarne Saarinen but also the minority's leader, first vice-chairman Taisto Sinisalo.

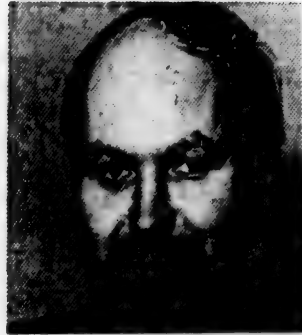
No Apology

Moreover, Kemppainen says, in regard to the events in Moscow, he is not aware that either Kauppinen or Kostinen made any apologies, which Boris Petrov claims.

It is also apparent from the various newspaper stories yesterday that neither Kauppinen nor Kostinen were of the opinion that they had made any apology. Markku Kauppinen said to ILTALEHTI that he only said to Petrov that each parliament member speaks for himself and that "I myself did not like the joke."

Kauppinen had the impression that Petrov took offense when he heard the Kemppainen story. However, the irritation abated when Kemppainen said he was sorry that the story was regarded as offensive. Kemppainen, furthermore, explained that it is common in Finland to make jokes about political leaders and they are not regarded by anyone as insulting.

The joke about Brezhnev, for that matter, is not of Finnish origin. Kemppainen says that he first heard it told by "Soviet comrades."



Arvo Kempainen

6893

CSO: 3109/57

MEMBERS OF PRIME MINISTER'S OFFICE CRITICIZED

Athens ELEVTHEROTYPIA in Greek 21 Nov 81 p 4

[Article by A. Manolakos: "How Did They Get Into His Entourage? Questions for a Few Advisers of the Prime Minister]

[Text] With as much discretion permitted by journalistic responsibility, a few days ago this column expressed some anxiety over the fate of the government Program of Change because of indecision for concrete measures to be taken to improve the public central services. The observation referred mainly to the official entourage of the ministers--at least of those "mandarins" from whose embrace even the New Democracy government suffered.

We pointed out, "The following is another problem considered as critical for developments whose solution becomes more difficult as time goes by: the problem of the central governmental bureaucracy. Very few ministers must feel that they labor in an environment which is not a friendly one can at least be considered a neutral one. In the face of fear of transfers, the scarcely concealed hostility, which arose from the fact that there was indecision for concrete measures to be taken--with some exceptions--to improve the central services, is already changing into the first signs of scraping bows and the first smiles. Only yesterday, a well-known "insignificant government functionary" who for years has been torturing his subordinates was making the rounds of the corridors of the ministry where he works exclaiming 'We have overcome the obstacles.' This phenomenon, in similar manifestations, has appeared in very many public organizations resulting in feelings of dismay among the civil servants. If measures are not taken at once, it is certain that this situation will create insurmountable obstacles for the implementation of the government programs. The reform of the state apparatus requires, of course, time, a system and goals. Nevertheless, some administrative measures are needed immediately to release stifled energy and to spur the commitment of civil servants to work harder." Nevertheless, a hastily prepared journalistic inquiry reveals that the problem is more serious. In other words, it is not restricted to the needed reconstitution of the government services so that personnel might serve governmental policy within the self-evident and constitutionally strengthened framework of legality of governmental decisions. The problem also appears to exist in certain new appointments in critical political positions of personnel who obviously were brought into the government on the basis of criteria more of a personal nature and need for "work," forgetting that on this level of government the determining factor is a combination of work and political reliability.

One of the first needs which PASOK as a government was called on to satisfy was the staffing of the prime minister's political office--i.e. the "headquarters" of the battle for change. It did so, with the exception of the military office which, since A. Papandreou is also minister of national defense, was deemed as not being operationally indispensable, as well as one of the positions of special advisers which remains essentially vacant (since Mr Gavalas, the person appointed by the New Democracy, instead of resigning, as he should have, is seeking to retire so as to collect on a not so low compensation.)

We are reminded that Mr Gr. Kasimatis, former PASOK deputy, was appointed director of the political office; Mrs Angela Kokola was appointed director of the prime minister's private office; Mr Khr. Makhairitsas director of the diplomatic office; Mr Georgios Kasimatis, professor of constitutional law, director of the legal office; and K. Laliotis, Ant. Livanis, Ant. Stratis, Kyrys. Antoniou-Laiou, G. Panaikolaou and Vas. Sarantinis special advisers. Together with them, a multitude of assistants in other offices of the political office, as provided for by Legislative Decree 217/74.

We are also reminded that the government had decided to move forward toward the restructuring of all the services which are connected with the operation of the governmental apparatus (new law on ministerial council, political office, presidential ministry, etc.) so that, as has been written, there might be an efficient and modern executive authority, a "new model of government." These legislative acts will be the first to be submitted to parliament for enactment, following the 1982 budget law. At that time, together with the staffing of the new ministries (for example, Mr K. Laliotis, member of the PASOK staff office, presently the prime minister's adviser on youth affairs and party liaison man, is being considered for the ministry of youth), the restructuring of the political office services will once again be faced, on the basis of the new staff organs to be legislated, such as the Foreign Affairs and Defense Council and the Economic Policy Council which now are operating as the prime minister's advisory committees. Until then, this column feels obliged to express some anxiety over certain assignments to the political office, assignments about which it feels that exclusively political criteria should have prevailed.

How is it possible for Mr Khristos Makhairitsas to remain diplomatic adviser to the prime minister while he is still illegally holding on to his position in the ministry of foreign affairs as adviser on NATO affairs and on American bases? Mr Makhairitsas was appointed after the political reform thanks to and with the favor of his protector, Mr Efstathiadis, the pro-junta professor of international law, under whom he served as assistant in the university chair.

This diplomatic adviser of the prime minister who aspires to play a Kissinger-type role in Greek foreign policy (a coveted decision-making position with the support of a well-known strong para-political agent of the center in the Foreign Affairs and Defense Council now being formed), has detached the following individuals from the ministry of foreign affairs and has assigned them to the diplomatic office:

--Vas. Argyrou, niece of Mr D. Bitsios, who over the years in her position in the private office of each succeeding minister of foreign affairs in the New Democracy government served the Bitsios, Rallis and Mitsotakis line.

--D. Avramopoulos, attache in the diplomatic corps, who under the New Democracy government served his military duty in a confidential position in NATO. How is it possible that the prime minister's legal office is staffed by specialists who are closely linked with New Democracy ministers, specialists such as Prokopis Pavlopoulos and Spyros Flogaitis? Mr Pavlopoulos, private secretary of Mikh. Stasinopoulos, former president of the country, was appointed to the ministry of coordination by Mr I. Boutos and was among the staff cadres of Boutos, Mitsotakis and Palaiokrassas. He belongs to the close entourage of Mr Str. Stratigis, former secretary general of the ministry of coordination and member of the New Democracy executive committee, known for his ties with deposed King Constantine, and is very "close" to the extreme right international law professor, Mr Spiliotopoulos, and is the latter's assistant. Also one of the close associates of Mr Geroulakos, a monarchist (he supervised Frederika's funeral), is Mr Flogaitis. How is it possible for Mrs Sisi Pavlopoulou, wife of the above-mentioned Prokopis Pavlopoulos, to serve in the prime minister's private office, a woman who is closely associated with Mr Stratigis in whose office she trained as a lawyer? Although she is a lawyer with post-graduate studies abroad, she has been assigned as a typist, and as such all of Mr Andr. Papandreou's papers (therefore including confidential ones) to be typed go through her.

Undoubtedly this is a case of unjustified assignments whose only explanation lies in the fact that they have taken place unexamined and without the full knowledge of the prime minister. Unjustified also (just to mention only the closest ministry to the prime minister) is the assignment of Mr Oikonomou as the private secretary of Mr Agamemnon Koutsogiorgas, minister to the prime minister. Mr Oikonomou served on the loyalty council for KYP [Central Intelligence Service] employees under the Papadopoulos dictatorship. He was subsequently dismissed but later returned (after recourse to the Council of State with Mr Koutsogiorgas as lawyer) as an anti-seditionist in the ministry and now aspires to reestablish the Civil Servants Supreme Council and become its chairman. Finally, as special adviser to the minister, he has given orders that no document come in or go out of the office of Mr Koutsogiorgas without his initials.

We have considered it a duty to publicly make the prime minister aware of the reasonable concerns of this column--concerns which we wanted to prove with data relating to his own work environment, namely the political office. With the certainty that we too are contributing to the difficult task with which the majority of the Greek people have entrusted him.

5671

CSO: 4621/75

VAN AGT IRRITATED AT LABOR, D'66 PARTIES

Amsterdam ELSEVIERS MAGAZINE in Dutch 28 Nov 81 pp 12-15

[Text] The incident last week in the Second Chamber, when Premier Van Agt refused to continue the debate on the governing declaration Thursday evening, is not an isolated incident which could be ascribed to the minister president's moodiness or craftiness. It has everything to do with the deeply rooted distrust within a coalition in which everyone is out to trick everyone else. Dieudonnee Ten Berge gauged the deeper motivations of the main characters.

The renowned Wassener restaurant De Kiewet had a number of prominent guests on the evening of Thursday, 19 November: Premier Van Agt, Ministers Van Der Stee and Gardeniers, and the delegation chairmen from the Second Chamber, Lubbers and Brinkhorst. High words had to be swallowed, and that sort of thing is not a common occurrence at "the cafeteria on the Hook." Brinkhorst: "Oh, there was no personal difference of opinion at all. But if you cannot make any material criticism of a coalition partner at all, that is the end of a parliamentary democracy." In any case, the ambiance and the quality of the food and drink in the Kiewet proved to be the proper medicine for the disturbed relations between the minister president and the D'66 [Democrats of 1966] delegation chairman. Friday morning in the Second Chamber, there was no trace of the argument. Brinkhorst even took the floor to say that he was "very taken with the minister president's answer." That gained him the sarcastic laughter of many chamber members. A unique incident was closed.

Thursday afternoon about 5:00 pm, Van Agt had a letter delivered to Second Chamber President Dolman, in which he stated that he was not ready to respond to the Chamber in the time designated, 7:00 pm in the second session. Van Agt gave two reasons for that: he would need more time to be able to answer all of the questions, and he felt the need for political consultation after the forceful criticism from the PvdA [Labor Party] and, particularly, D'66. Political consultation, that meant: thundering within the coalition. The premier would not stand for it.

Now Van Agt had certainly given some cause for many chamber members to raise their eyebrows. In his answer in the first session he had obstinately brushed through several areas. Whole sections were passed over. His remarks had been cynical from time to time. As: "I will just pretend that I understand this," and: "Now we

come to the passages from Social Affairs. I will have to look closely, for the print is quite fine. They are very sparing there, at least with the type font." It had caused the premier confrontations with Chamber President Dolman.

"The president determines the atmosphere of the meeting," an angry Dolman had half-way noted Premier Van Agt's answer.

Van Agt was irritated. He was overtired after months of intensive political squabbling. Once he had become the leader of a cabinet he had not wanted, the clamor broke out once again after a short time. Two socialist negotiators were required to induce the CDA [Christian Democratic Appeal] and the D'66 to go one step further than the minister president's final offer on the night of the crisis. That offer was considered to be "really too much" in itself at the time by the CDA and D'66. Van Agt came to ask himself more and more why he was really still in office. In practical terms he had little to say. The cabinet crisis had been characteristic of a team in which people deeply distrusted one another, but who had one another in a strangle hold because of political circumstances. Wiegel had the right of it: "They are no good at all together, but they will not let one another go."

They had become mutual prisoners, and Van Agt, in particular, is definitely unhappy as a politically ensnared man. Each difference of opinion which led to a conflict seemed to be a lost cause in advance. For example, the country is now saddled with a tax increase under the pseudonym "solidarity assessment," to which about two-thirds of the Second Chamber is really opposed. Brinkhorst may very well say that it means the end of parliamentary democracy if you can no longer make criticism, but it seems much more likely to bring an end to parliamentary democracy when people do things to which a vast majority of chamber members and citizens are strongly opposed.

It is precisely D'66, and thus Brinkhorst, as well, who is responsible for the existence of the current cabinet. Precisely D'66 set the conditions under which the country must be governed. Precisely because D'66 refused to consider any other majority cabinet, no other alternative was possible. And the position of the PvdA became stronger than its numbers. In any case much stronger, too, than you would expect for a party which had been rejected so clearly by the voters. Precisely D'66 refused material discussions with the VVD, while time and again it has been shown that CDA, VVD and D'66 are much more one another's natural allies than the "disorderly club" which must now be kept in the saddle. Thus, D'66 tied Van Agt's hands behind his back, and therefore Van Agt would brook no criticism whatever precisely from D'66.

Van Agt was not in the mood for any indulgence all week. Overtired as he already was, he still had a lot of hard work to do in private on the governing declaration, which, for that matter, did not say very much. The socialist ministers in particular tried to gather in all manner of political goals, hiding them in all kinds of textual tricks, something which never happened in the previous cabinet. There, the cases were discussed openly in the council of ministers, and people did not try to get their own way through ideas smuggled into the governing declaration. For example, days were spent on the passage dealing with the middle schools, about which Van Kemenade had wanted to have Van Agt say that the

introduction of that form of instruction was merely a matter of time. The discussion was therefore apparently already over, while the matter had not even been talked about in the cabinet!

It was precisely to keep Van Kemenade reined in a little bit that the CDA had placed two watchdog secretaries of state in the Department of Education. But they seemed in practice either to be asleep or to have gone happily along with Van Kemenade. An intervention by Lubbers in the Second Chamber was needed to call back the cabinet on the matter of the middle schools. Even though the past week-end Secretary of State Deetman went around telling everyone that the introduction of middle schools was no longer in question. "In 1974 the Second Chamber reached a decision about that by a broad majority." As though nothing had happened in the country since then. But Deetman, too, now feels that the gymnasium must disappear. He really ought to reread his own CDA program. Thus, Premier Van Agt feels like a kind of Hans Brinker, who time and again must constantly be jamming his fingers in the leaks in the dike. That is a position which gives little cause for gladness.

Van Agt's distrust of several of his colleagues was confirmed once again Wednesday evening, when he was preparing for his answer in the first session. The officials of the various ministries had been working through the whole night, and at 10:00 am there was a stack of 50 typed pages facing Van Agt. Figuring at 3 minutes lecture time per page, that means talking for 2 and 1/2 hours. At 10:30 another 50 pages came in. Thus, a lot would have to be scrapped, because the Chamber had counted on giving the premier the floor for only 3 hours. Scrapping, then, meant that many questions would have to be left unanswered. At 2:00 pm, Van Agt would have to begin in the Chamber. At 1:30, the last, newly typed pages came in: the responses from Social Affairs. Thus Minister Den Uyl gave Van Agt half an hour to read through the always politically sensitive contributions from Social Affairs and Employment in advance. That is why Van Agt was so catty about the "fine print from the Ministry of Social Affairs. They are so sparing with it there." The piece was too late, and furthermore, Van Agt had the feeling that Den Uyl was trying to do him out of a half billion. Van Agt has always said of Den Uyl: "If you turn your back, he moves the chess pieces around." Just as in the case of the middle schools, attentive interruptions from Lubbers were needed to avoid damage as far as possible.

Lubbers' position must not have contributed much to Van Agt's happiness either. Lubbers, himself largely responsible for the elastic governing accord, now had the role of the healthy conscience and the fiscally responsible politician. En passant, Lubbers also set a new time bomb under the cabinet by calling for an early Spring Bill, about the end of February, in which all of the strokes of misfortune would have to be covered financially. In view of the lack thus far of agreement on practically everything, the real cutbacks then will mean the death-blow to the cabinet. Lubbers, then, is playing the healthy conscience, calling Van Agt to order, while during the cabinet formation it was Van Agt who time and again asked Lubbers for better financial guarantees in the coalition agreement.

Tired, powerless, irritated, that is how Van Agt looked when the second session began with questions from the Chamber. The very critical interventions from Brinkhorst and Engwirda were therefore precisely the straws that broke the camel's

back. Brinkhorst had informed Vice-Premier Terlouw in advance that he would "have at it." Nothing was said to Van Agt. Brinkhorst spoke in the Chamber of "superficiality." Engwirda remarked that Van Agt "made him think of the premier of the last cabinet." The D'66 member spoke of a "bicycle racer starting his umpteenth obligatory lap, who is scarcely inspired any more." Van Agt decided that D'66 and the rest of the Chamber could climb a tree. At 5:00, Chamber President Dolman had the letter. But shortly after that, a table was reserved at the Kiewet restaurant. As quickly as the incident had been born, it was pacified. After all, they are mutual prisoners. Van Agt is enchained, but so is D'66. The restaurant bill wound up the same place where all of this cabinet's bills will land: on the taxpayer.

The cabinet can now begin to build itself up for the following trials of strength: the decision-making process within NATO, and the working-conditions negotiations with the social partners [annual labor-management talks]. This latter matter also causes some concern within the ministerial team, where Minister Den Uyl has already let it come out that he will not institute any wage regulation if the wage negotiations produce an initial wage increase of 1 percent. That would have to be at the expense of the 2 percent margin for incidental incentives. In that way, Den Uyl can largely negate the minimum line for the lowest wage earners. It does mean that the employers will scarcely have any margin for bonuses or incentives to stimulate effort or performance. A shift by Den Uyl of incidental incentives to initial wages fits very well into the framework of the constant attempts of the PvdA to rid the world of anything that smacks of pay for work done, starting with the Netherlands. For that matter, Den Uyl would be acting contrary to the governing agreement. But that does not occur to you if you have already shown how little you care about that governing agreement by raising taxes.

This past Saturday, CDA leader Lubbers stated at the Party Council of the CDA in Breda that he noted with satisfaction that the CDA was finding more and more virtue in the governing declaration. That they were even going to the barricades for it. If Lubbers had been realistic, he would have noticed that the governing agreement is slowly becoming the last straw at which the CDA may grasp in order to get anything out of cooperation with the PvdA. It is gradually reaching the point where the CDA can do nothing else but hold fast to it, at least in the broad outline. And should things yet go wrong, then negotiators can always come along again to put the official seal on the breach of the coalition agreement.

For the time being, Den Uyl is in the roses and Van Agt is in the thorns. And the D'66 can keep on telling itself that this is its cabinet, and that it still has some influence on policy, too.

6940

CSO: 3105/57

MOVEMENT ORGANIZES TO PROMOTE STRONG DEFENSE, NATO SUPPORT

Oslo AFTENPOSTEN in Norwegian 17 Nov 81 p 5

[Article by Liv Hegna]

[Text] A storm of individual protests against the current peace demonstrations is brewing. "With NATO a Free Norway" is the movement's slogan, and the first obstacle to be overcome is the myth about the feasibility of a nuclear weapons-free zone in the Nordic area. Six of the people taking the initiative maintain, face to face with AFTENPOSTEN, that they want to warn against submitting to the policy on the zone question. "The only interest the Soviets have in nuclear weapons-free zone in the Nordic area is that it makes it possible to pursue power politics against us."

The six organizers emphasize that they are well aware of the horrible effects of atomic weapons if they are used, but the situation has developed in Norway in such a way that it is almost taboo to talk about protective measures in connection with a nuclear attack. Medical Director Odd Oyen maintains that the wave of terror which now seems to have increased appears rather to preclude than to further negotiations regarding armament controls and disarmament.

In addition to Oyen, Julie Tunaal Røtter, Olaug Thoresen, Trude Stove, Karl-Ludvig Reitschelt and Carl Wilhelm Sem-Jacobsen are in the group. They all maintain that even if all the nuclear weapons in the world were eliminated, the outbreak of a war which could then occur more easily would invite frantic nuclear rearmament. The great power which first attains the goal has won the war. The problem is not nuclear war or not, the problem is war or peace. Peace can be made secure by verified reduction of forces with all weapons," Karl-Ludvig Reichelt says.

Does that mean that the group opposes the self-imposed Norwegian restrictions involving the placement of nuclear weapons on Norwegian soil in peacetime?

"Our nuclear weapons policy should remain firm. It has been accepted in the West, and is believed in the East. But we should form a circle around our dearly-purchased freedom, rule of war and peace, which we have obtained through NATO and the balance of nuclear power."

In regard to a nuclear weapons--free zone in Nordic area, the six emphasize that the proposal will bind Norway to a treaty which will give the Soviet Union the right to judge whether we are keeping our word or not. After East Berlin in 1953,

Hungary in 1956, Czechoslovakia in 1968 and now Afghanistan, the six don't believe that soft and warm feelings exist in the Kremlin, directed particularly towards the Nordic countries. The six find untenable and unbelievable the idea that the Soviet leaders would desire to spare the Nordic countries if an atomic war should hit all others.

Does the group believe that the Norwegian authorities have committed an unforgivable sin in not seeking more information in this respect?

"The authorities have given free reign to scare tactics and failed to make public important aspects of our nuclear strategy. The result is that the Soviet Union now appears to be almost deciding Norwegian defense plans. "That is a situation we cannot accept," assert the six, emphasizing that the possibility of the Defense Department's educating the people is limited. Such information either will be not believed by the individual who is pushing for it or it will be frightening because it comes from the authorities.

"Perhaps, therefore, we believe it is important that individual people become involved in a counteroffensive against the propaganda which now appears to have spread," say the six, who, now after disseminating their first pamphlet on nuclear-free zones, can well consider other security questions in similar actions later.

6893

CSO: 3108/27

LABOR PARTY ORGAN ATTACKS WILLOCH POLICIES

Oslo ARBEIDERBLADET in Norwegian 9 Nov 81 p 4

[Editorial]

[Text] The budget proposal of the Willoch government represents the most marked and consistent turn-about in Norwegian policies we have experienced in the post-war period. Even if the results in the first round are not so great, they all point in the same direction. The well-to-do are favored. The weakest are hit the most. This is Conservative policy in practice.

We see the same pattern in sphere after sphere. In the social budget, it is the sick who will be hit. Now, there will be higher fees for doctors. If you live out in the country and need transportation to the doctor, it will be more expensive. When burial subsidies are sharply cut, it is again the weakest group that it is hit the hardest. For many people, it has been a good support not to have economic worries about a decent funeral at a time when a dear one has passed on.

In the budget for subsidies for children and young people, it is again the weakest group which assumes the burden for Conservatives' propositions. Young people not belonging to any group and to whom the scouts and the 4H offer nothing will see their subsidies reduced. The result will obviously be great youth problems, not least in a town like Oslo. When the authorities do not take preventive action, the government becomes involved to a much greater extent in treatment.

The Willoch government has kept housing construction at the high level established by the last labor government. But the government takes a conservative turn in regard to financing. More housing units will be financed on the private market, while financing through the state banks will be reduced. This means, in practice, that loans will be more expensive and more difficult to cope with for those people who have the least resources.

In regard to industry, rural enterprises in trouble will be sacrificed to the priorities of the Conservative government. You have to go all the way back to the thirties to equal the modd which has developed in Tyssedal. The bitterness in the local community is completely understandable. A government cannot make decisions overnight the consequences of which will depress a whole community, without there being strong reactions. It is also fantastic that the government has made such a decision on its own without seeking the advice of the Storting. Is it perhaps

such "boobos" that we can expect when a party has not had governmental responsibility for 53 years? Tyssedal is, moreover, not the only example. A number of state enterprises and enterprises with state subsidies have been afflicted with large problems after just a few weeks of Conservative rule.

The Conservative reversal of Norwegian policies also affects the press. Again, it is the weakest newspapers which are hit. In regard to additional capital for newspapers in the government budget, the largest and richest newspapers receive the largest benefits. In regard to cuts, the newspapers, faced with competition and with poor finances, have the burden and must decide if it pays to continue.

For the sake of continuity, we would mention that the tax adjustments which the government has undertaken primarily favor those who were best off before. Naturally.

We regard as most deplorable the attitude which the new government has in regard to aid to the undeveloped countries. To be sure, we have problems in our country, but they involve after all problems of luxury in comparison to the problems in the world of poverty. It is almost unbelievable that the government of one of the richest countries in the world chooses to reduce assistance to that part of the world where sheer poverty rules. Possibly, it is not unpopular in certain circles to attack assistance to the undeveloped countries. But it is irresponsible for a responsible Norwegian government not to continue the assistance program.

We are surprised that the Willoch government has decided to be so consistent as it has in the budget proposal. Even if the preliminary changes are not so great, they are all in any case clear steps away from the cooperative community. The labor movement has every reason to regard what is happening as pure provocation.

6893

CSO: 3108/27

PRIME MINISTER WILLOCH URGES STRONG SUPPORT FOR NATO

Oslo AFTENPOSTEN in Norwegian 27 Nov 81 p 5

[Text] "Let the powers that be in the Kremlin answer as to what they are willing to accept." That was the advice of the Conservatives' chairman, Jo Benkow, to the vice-chairman of the Labor Party. Benkow said in a lecture yesterday, addressed to Einar Forde, "It should not be the duty of Western politicians to undermine the West's negotiating position by giving the Soviet Union the impression that they don't have to make any concessions and can hinder the implementation of NATO's deployment decision.

It was during his election campaign in Troms that the Conservative chairman yesterday in Maselv commented on our secret nuclear weapons debate and the imminent negotiations between the United States and the Soviet Union. He found there was reason to remember that the Kremlin and demonstrators in West maintained that NATO's double decision in December 1979 would make negotiations impossible.

"The case is exactly the opposite," he insisted. "It is now quite apparent that perhaps it is NATO's double resolution which is putting the most pressure on the Soviets to come to the negotiating table with the goal of checking the utterly crazy arming which we have seen on the eastern side. The Russians now know that if they don't make some distinct concessions at the negotiating table and continue to expand their arsenal of missiles with nuclear warheads directed towards Western Europe, Western Europe will reply with the deployment of new medium-range rockets at the end of 1983."

Jo Benkow expressed the hope that the leads which have come from President Reagan will get the many people who are upset and worried over the development and dispersal of nuclear weapons to pressure the Soviets so that real negotiations can begin.

But until we get real results from the disarmament efforts," Benkow emphasized that "it is a national responsibility to keep the defense system in order and see that it receives sufficient resources so that Norway, in cooperation with its allies, could stop an eventual attack." Therefore, he said he was happy that there now appeared to be a majority in the Storting for carrying out Norway's part of the treaty with the United States concerning advance stockpiling of allied defense materiel.

At the same time he criticized the Labor Party's passive attitude in fulfilling the conditions for strengthening the defense of North Norway with a base for an additional Norwegian combined regiment in the northern part of the country. Benkow called to mind that this base has become necessary as a consequence of the Labor Party's policies, because the stockpile sites for the American equipment were, it was decided, to be in Sor Trondelag instead of in North Norway--contrary to unanimous military advice.

"Now, the party is not going along in appropriating the funds which are necessary for ensuring that the condition is met. Instead, the Labor Party chooses to shunt the matter aside by referring to a later plan regarding its scope and the timetable. This is nothing but a delaying tactic, which leaves some doubts about the value of previous promises," J. Benkow said.

6893

CSO: 3108/27

NEWSPAPERS ANALYZE SIGNIFICANCE OF TWO DISTRICT REELECTIONS

'Conservative Wave' Seen Broken

Oslo DAGBLADET in Norwegian 8 Dec 81 p 2

[Editorial by Arne Finborud: "Conservatives Stopped Conservative Wave"]

[Text] A conservative government is needed to stop a wind from the right.

Many will draw this conclusion from yesterday's reelection in Buskerud and Troms, even if there are a number of conditions present in the picture. Of course not the least of these is the low voter participation and the tactical voting, which played an important part, and gave a highly uncertain basis for judging the result. But two features can not be explained away: the Labor Party's obvious partial advance and the Conservative Party's stagnation and partial retreat. It is the situation between these two large parties which is most interesting after this election.

We saw an entirely different Conservative Party in the beginning of the election campaign which we experienced in these two counties. The transition from being the leading opposition party to being alone in the government has turned conservative tactics upside down. But with all the cautions which must be expressed, it must be said that the party's colossal progress in the past 8 years has not continued since the Willoch government was formed. The monthly opinion polls also show that. The party has not created any automatic positive effect or benefit from its acquisition of government responsibility.

The so-called "honeymoon" was very short, and this is an unusual development such a short time after a change of government. Can this be attributed to anything other than that the party itself had raised expectations too high?

The Labor Party's election outcome must be due to national political conditions and the opposition line which the party has chosen for itself. I refuse to believe that the advances can be attributed to the candidates in remote places in the two counties. That is obviously an encouragement to the party leadership, but should not lead to arrogance and exaggeration, as has been the tendency. But everything now indicates that the conservative attempt to depict the Labor Party under Gro Harlem Brundtland's opposition leadership as a sour, angry and irresponsible party and an excessively poor loser, has not succeeded. Tactics here must be shifted to the next confrontation in the Storting.

But more extensive conclusions should not be drawn from the cold winter election which we experienced yesterday. Nothing dramatic happened which should have an immediate effect on the national political level. The only historical event which can be noted is that Aase Molokken is the first person elected to the Storting during advent, and that harmonica player Hallgrim Berg will have the shortest Storting term in the memory of man.

Norwegian politics have endured greater stresses

'Governing Party' Now Paying Price

Oslo ARBEIDERBLADET in Norwegian 9 Dec 81 p 4

[Editorial: "Election With Reservations"]

[Excerpts] Advance for the Labor Party. Stagnation and partial retreat for the Conservative Party. Status quo for the middle parties.

Those are the most important conclusions from the reelection in Buskerud and Troms. For those who have followed the political exchange of words closely since the election of 14 September, this comes as no surprising conclusion. That the conservatives have begun to taste the first bitter fruits of government power is not remarkable. Curiosity about the new regime has worn away, and the first political events have not come up to the expectations of all previous conservative voters. The Labor Party opposition's hard attack against the policies now being carried out is proving to be correct.

When the national political analyses of the results are concluded, we will again emphasize as forcefully as we can that the reelection must not be regarded too seriously as a gigantic opinion poll that many had thought it would be.

The low voter participation, in the first instance because of the bitter cold, and the obvious tactical voting done by many are reservations which must be considered in the analyses.

In both counties the bourgeois parties' seats hung by a thin thread. Antisocialist voters chose to make their contributions to ensure the bourgeois representation in the Storting with tactical voting. Yes, in Buskerud it was so tactical that the tacticians cheated themselves. The election of Labor Party's Aase Molokken doubtless has a certain connection with voting shifts between the bourgeois parties.

But all reservations considered, it is clear that the Labor Party advances must be explained by solid organizational and political work after the election. An increase in Buskerud of 2.4 percent and in Troms of 3.7 percent since the election just 3 months ago must be interpreted as a seed implanted for the new advance--in spite of the cold and the tactical voting.

Even if one should therefore be careful to draw the significant conclusions, it is fairly clear that the result will have a fine psychological effect within the Labor Party. That will give inspiration to the organizational work and strengthen the confidence necessary to conduct opposition policies as they were made in the fall.

As to the situation in the middle parties, it is more difficult to be the fortune teller. The tactical maneuvers were so numerous that it is difficult to make the results be a barometer for anything. A typical example of how difficult it can be for election analysts to use the results in their work is the fact that the Christian People's Party in Tromsø advanced by 3.2 percent, while the party in Buskerud retreated by 2.2 percent.

However the Center Party and the Christian People's Party reached their primary goals, namely to elect Per Aas in Troms and Johan Buttedahl in Buskerud. In itself that was no small achievement, when one knows how exposed these seats were. For these two parties, therefore, the results will probably be an important stimulant to continued political work.

"A punch on the nose for conservatives," "A backfire for Kare" we read in the morning newspapers. Yes, there is no doubt that the results could have been considerably better for our new government party. On the other hand one must never forget that the government position in itself is a handicap in an election. Recent years' elections both here at home and abroad have certainly demonstrated that. Even after a very short governing period the most of the governing parties in our part of the world have had to cope with setbacks at the polls.

The little setback that the Conservative Party has now received should therefore not come as a surprise, neither to the supporters nor to the opponents. It merely conforms to a well-established pattern.

A Clear Setback for Progressives

Oslo AFTENPOSTEN in Norwegian 12 Dec 81 p 2

[Article by Bjorn Skau: "A Little Turn to the Left"]

[Text] The red areas have become more red. The blue have become more blue. These are among the conclusions drawn by Bjorn Skau after the "mini-election" in Buskerud and Troms. Skau, an experienced election analyst, was the minister of justice in the last Labor Party government. Certain things are clear following the reelection in Buskerud and Troms:

- The Labor Party gained strength from the election.
- The conservative and middle parties largely retained their positions from the election last September.
- The Progressive Party had a clear setback, and to a lesser extent so did the Socialist-Left Party.
- In the relationship between the blocs the socialist side is strengthened by about one percent. It is natural then that this is reflected in a victory for the Labor Party.

But all those who followed the election returns on election night were impressed by the large variations in the municipalities. The Labor Party had gains in practically all of the 46 municipalities which participated in the election, but the gains varied considerably from district to district.

The conservatives varied from relatively large losses in some municipalities to tidy gains in others. And small changes overall.

One common feature was the support of the middle party voters for the Christian People's Party in Troms, and the Center and Liberal Parties in Buskerud. But the rallying of the middle parties varied widely from one municipality to another.

In the commentaries following the election the turnout was given decisive importance. Especially those who did not do well claimed that the low turnout was the cause. If we go by the individual results we can see that there is no model here. Labor Party gains are just as great in many municipalities with a high turnout as in municipalities with low. In Buskerud the Labor Party had very good results in Krodsherad and Fla, which had the highest turnout, and in Royken with a low turnout. The Conservative Party had good results in Fla and Nes with good turnouts, and in Lier and Hole with very poor turnouts. Shifts between parties from September to December do not follow the turnout percentages. That is at least clear.

On the other hand there is another model. Even if it also has exceptions. The Labor and Conservative Parties did best in those municipalities where they were strongest before. It has not been possible for me in this short time to check all of the results in Drammen. But what I have already seen gives a clear model: the red areas have become more red, and the blue areas have become more blue.

I believe that this can be one interesting feature following the first election campaign that we have had in Norway since the 1950's which was practically without TV or radio coverage. The effect of neighborhood activities and the strength of local party organizations were considerably stronger with this election than with a TV election. The party which has many workers which identify with the party or are party members will mobilize the most voters.

The most noteworthy feature of the reelection in both counties was the tactical voting in the middle parties. In Buskerud the Christian People's Party voters voted in large numbers for Center/Liberal candidates, and in Troms the Center/Liberals voted for the Christian People's Party. But also here there are significant differences. There is no doubt that especially Buttedahl and Per Aas in their home districts received tactical or "personal" votes from all parties' voters.

The tactical voting has certainly created "blue Monday" feelings both in Buskerud and Troms. People with political experience know that when an otherwise loyal voter votes for another party once, a bond has been broken which is difficult to repair. The Labor Party noticed this after the EC election in 1973. The Christian People's Party will notice this in Buskerud and Troms in the coming election.

Has the reelection any significance as a measurement of opinion? The question was raised during the last week of the campaign. I believe the answer is simple and clear: If on election night I had only seven or eight results which had the same tendency from two so different counties as Troms and Buskerud, I would with good conscience have drawn the conclusion that we were observing a national tendency. Now we have 46 municipalities with predominantly the same tendency. The total tendency overall is a little turn to the left. Little, but a little surprising

such a short time after an election and a change of government. In spite of everything it is a standing model than an election victory and change of government is followed by a rather strong growth in the governing party. This growth, which I recall that Borten, Bratteli, Nordli and Gro Harlem Brundtland experienced, obviously did not take place. The honeymoon for the Willoch government has undeniably been more problematical in the Storting than a government's first hundred days usually are. In any case the election is an indication that the same can happen with the voters.

Finally a short commentary about political commentators.

It is important that the voters have respect for politicians. All those who write political commentaries should think about this.

A few days before the election the prime minister, among others, clearly said that "the election is important for the government." All the large parties pounded away in the two counties with the same argument.

"This election is important!" Then we must not go out and explain that the election is worthless as a measurement of opinion when the results do not agree with our wishes. After all, an opinion poll only covers 1200 people. Here there were over 200,000 who voted. The tendencies were rather similar whether the turnout was over 80 percent or less than 60 percent.

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CSO: 3108/34

BRIEFS

MINISTER: INCREASE USSR'S SVALBARD TAX--Oslo, 24 Nov--When the Storting considered yesterday the Svalbard budget for the coming year, Mona Rokke, the minister of justice, said that she agreed with the many speakers who maintained that the Russian mining company, Trust Arkigugol, and the Russian workers pay too little tax in comparison to that which corresponding Norwegian companies and workers pay. The cabinet minister referred to the fact that the Tax Board for Svalbard has been in contact with the Russians several times in this matter with the goal of reaching a more equitable tax. "I am counting on this question being solved," the justice minister said, and, moreover, stated she agreed with chairman in the matter, Guttorm Hansen (Labor) who advocated that the Storting, in the course of the next 4-year period, has an opportunity to reconsider Norway's Svalbard policy. [Text] [Oslo AFTENPOSTEN in Norwegian 24 Nov 81 p 3] 6893

CSO: 3108/27

PEACE RESEARCHER WILKES DEFENDS SPYING CHARGES IN TRIAL

Stockholm DAGENS NYHETER in Swedish 4 Dec 81 p 5

[Article by Leif Dahlin]

[Text] Gotland and Oland are the Swedish outposts to the East just as Bornholm is for Denmark. It is therefore not accidental that peace researcher Owen Wilkes took a cycling vacation in these three islands of military interest.

That is what chief prosecutor K-G Svensson said in his presentation of the case when the trial against Wilkes started in Stockholm District Court on Thursday.

Wilkes pleaded not guilty to the charge of grave illegal handling of secret information. The prosecutor said that Wilkes photographed, sketched and made notes on 15 Swedish military facilities of a secret nature.

Wilkes was seized by SAPO [Swedish Security Police] on 17 August. He had just returned from a tourist trip. Four days later he was released under a travel ban and the obligation to report in.

Wilkes and his defense lawyer, Hans-Goran Franck, arrived at the courthouse on Thursday on the dot of 0930 hours.

The prosecutor charged that if the information Wilkes gathered and wrote down in the course of his studies in Lovon outside Stockholm, Oland and Gotland were used illegally it could damage defense against external invasion.

"The facilities Wilkes studied are fenced in or supplied with military prohibition notices. Wilkes could not have failed to notice these circumstances."

To prove the criminal intention of the trips to Gotland and Oland the prosecutor stressed the secret stamp on the confiscated documents concerning Wilkes' studies in Lovon.

Wilkes' sketches were shown on a screen in the courtroom. It was revealed that the peace researcher made notes on the Abab security, on the fact that there was a guard, there were memos on revolvers and rifles, there was room for hundreds of

people, the presence of a bus stop. He also noted the form of the antennas, the fact that the facility is smaller than the Danish one he studied earlier, the approximate number of ranks, etc.

Visby, 1 Day

"The conclusion of this is thought to be that Wilkes wanted to establish whether there was a connection between these stations and the Danish one which is part of the NATO system. Wilkes has said the aim of the Gotland trip, which he started on after the visit to Lovon on 25 June, was to gather information about the Stril and liaison systems there."

In his notebook Wilkes indicated travel routes and times. For example, he wrote: "Visby, 1 day." "Gotland, 3 days." "Klinte Harbor, 3 hours."

A woman went along on the trip. The pair managed to study 15 facilities in all in Gotland and Oland that are part of the Stril system. Wilkes also used binoculars and in a daily entry he wrote that he took photographs even though the area was fenced off. He took pictures even though he could see the sign banning photography.

"He must have realized this was a classified secret system. And they cost very large sums which specialists have to account for. The intention of the studies was not part of Wilkes' research work."

Wilkes, who is a 41-year-old New Zealander, became interested back in the mid-1960's in the American electronic system that is part of the Pacific bases and is called the Omega system.

Wilkes continued to read up on electronics and gradually he acquired great expertise in the area. In 1976 he went to Norway solely because an Omega system was to be installed there. Up until April 1978 he worked at the Norwegian Peace Research Institute after which he did similar research work in Stockholm.

Wilkes has been sentenced in Norway for similar violations to those he is now charged with. The suspended 6-month sentence has been appealed to the highest court.

In the spring he traveled to Japan where he was interested among other things in various warning systems on Okinawa. He has also been to an air base in central Sweden. He visited the FRA [expansion unknown] area on Lovon twice.

Wilkes emphatically denied that he made these notes in order to publish them or turn them over to someone else.

"Since my contract with SIPRI [Stockholm International Peace Research Institute] runs out at the end of the year I wanted to get acquainted with the archipelago and the islands. It was just accidental that I took notes."

Wilkes' defense lawyer, Hans-Goran Franck, submitted 13 different pieces of written evidence to confirm that Wilkes' notes did not concern matters of a

secret nature. At any rate, said Franck, Wilkes was not aware that the facilities were secret.

"And one can't say that certain information is of an espionage nature when it is acquired by someone possessing certain knowledge while it is not of an espionage nature if acquired by someone without this knowledge," Franck said.

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CSO: 3109/65

SUBMARINE INCURSION REPORTED DAMAGING PEACE MOVEMENT

Stockholm SVENSKA DAGBLADET in Swedish 30 Nov 81 p 11

[Article by Ingmar Lindmarker]

[Text] The submarine affair does not seem to have been a setback for the Swedish peace movement. Rising membership figures, increased interest and a gradual shift of criticism from West to East are reported in various organizations.

Even so the peace movement has been shaken, a fluid concept that is hard to define of internal differences and external attacks. Criticism for being friendly to the Soviet Union and accusations of communist infiltration have been more common since submarine 137 and campaigns directed solely against the West.

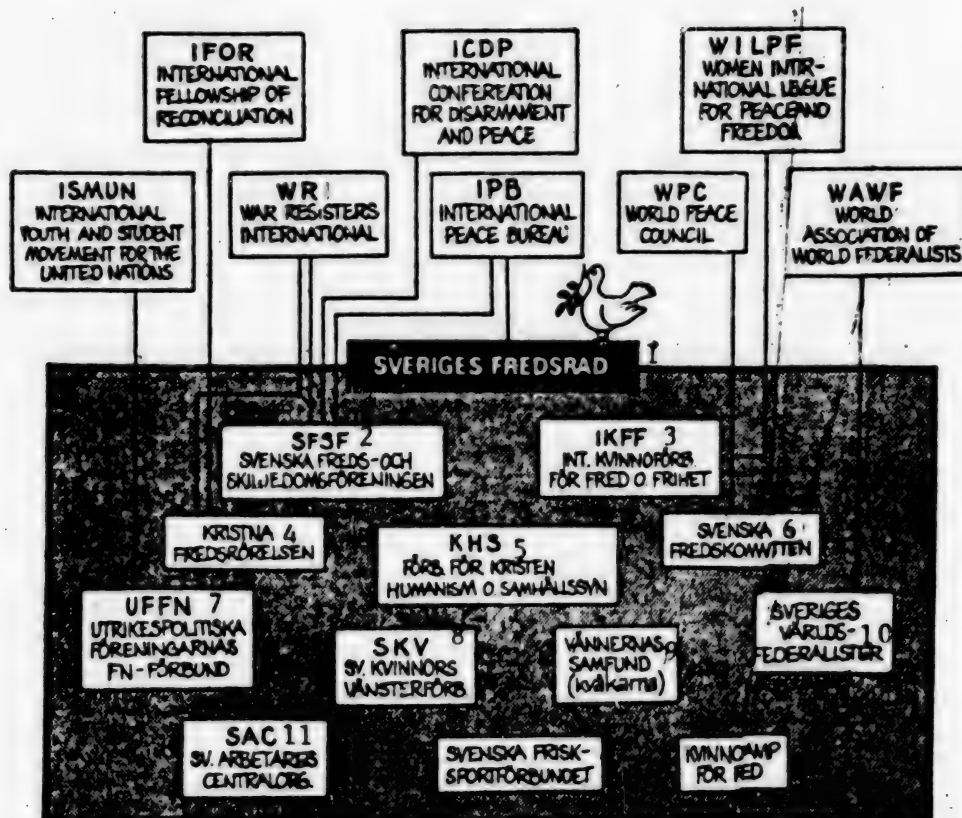
The eleven organizations affiliated with the Swedish Peace Council all describe themselves as independent and unconnected to party politics. However one of the most active, the Swedish Peace Committee, has a clear communist dominance that seems to be rubbing off on the entire peace movement.

There also seems to be an inclination toward socialist sympathies in the other organizations whose members are often generally hostile to the United States and less critical of the Soviet Union. While before and just after World War II the Swedish peace movement was dominated by liberals it is not primarily Liberal or Conservative youth group members who are involved in it today.

Unfortunate Dominance

But recent charges that "the communist Swedish Peace Committee has become influential in the Swedish Peace Council" are emphatically denied by council chairman Ulrich Herz. "There isn't a single case where one could even discuss anything of the kind," he said.

But within the peace movement it is felt the Swedish Peace Committee has achieved an unfortunate dominance in the Campaign for a Nuclear-Free Europe. The same thing was true in Denmark where charges were made about KGB-financed advertisements.



Eleven organizations are members of the Swedish Peace Council. Women Fight for Peace is on its way to winning membership. The peace organizations are also linked to various international organizations, as shown in the diagram.

Key:

1. Swedish Peace Council
2. SFSP, Swedish Society for Peace and Arbitration
3. IKFF, International Women's League for Peace and Freedom
4. Christian Peace Movement
5. KHS, League for Christian Humanism and View of Society
6. Swedish Peace Committee
7. UFFN, Foreign Policy Associations' UN League
8. SKV, Leftist League of Swedish Women
9. Society of Friends (Quakers)
10. Swedish World Federalists
11. SAC, Central Organization of Swedish Workers
12. Swedish Physical Culture League
13. Women Fight for Peace

"The only way to inspire confidence in the peace movement in our grave effort is to repudiate the Swedish Peace Committee's methods and extreme friendliness with the Soviet Union," said one of those with insight into the entire movement.

All Have Veto Right

In principle all the member organizations have a veto right in the Swedish Peace Council. This makes it hard to present a unified line in the Swedish peace movement on such things as the Soviet occupation of Afghanistan, a Nordic nuclear-free zone and other concrete issues.

In motions from the Swedish Peace Council to the Swedish People's Parliament for Disarmament a common view is shown on the demand for unilateral disarmament, a moratorium on research, development and deployment of weapons and the demand for representation for the peace organizations on the Swedish delegation to the United Nations and the permanent Swedish disarmament delegation.

"Unilateralism or the idea that someone has to start is a key concept in the Swedish peace movement," said Ulrich Herz. "That doesn't mean a demand for unilateral Swedish disarmament or a belief in the power of example."

Things Becoming Balanced

Herz also feels there have been periods when the thrust of the peace work has been directed against the West but that things are now becoming more balanced. He also said that the peace movement had never believed in the balance of terror as a security system or that unilateral arms reduction would increase the threat of war.

A motion to the People's Parliament from the Swedish Peace Committee does say that both superpowers must be criticized. But at the same time it calls for "a new direction" of the Swedish peace activity with a clear indication that it is the United States that bears the biggest responsibility.

A new element in the peace movement is the Labor Movement's Peace Forum led by Alva Myrdal (an interview with Ms Myrdal will be given in a later article). It is aimed primarily at increasing knowledge about security policy, weapons technology and arms reduction efforts by making use of the Social Democratic and LO [Swedish Federation of Trade Unions] apparatus.

Alva and Gunnar Myrdal's foundation which is administered via SIPRI, the Stockholm International Peace Research Institute, has a similar aim. It will ask for voluntary contributions from organizations in order to set up a fund for distributing information on peace activities to various interested popular movements.

Metalworkers Leave Peace Committee

"We are thinking of leaving the Swedish Peace Committee due to its partisan nature and its behavior in the Afghanistan question," said Mats Jonsson, international secretary of the Swedish Metalworkers Union.

For the last 3 years the Metalworkers Union has been collectively affiliated with the communist-tinged peace committee. But this year the membership fee has not been paid and won't be paid.

According to Mats Jonsson a formal announcement of resignation will soon be sent to the Swedish Peace Committee.

"Their continued behavior after the Afghanistan invasion does not coincide with our view of peace work either. Instead we will work within the Labor Movement's Peace Forum," said Jonsson.

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FOREIGN MINISTRY DISTRIBUTES FUNDS TO VARIOUS PEACE GROUPS

Stockholm SVENSKA DAGBLADET in Swedish 30 Nov 81 p 11

[Text] More than 100,000 kronor will be distributed by the Foreign Ministry to organizations in the Swedish peace movement. Some of them will also get additional support from the state's Cultural Council.

The Swedish Society for Peace and Arbitration will receive 47,000 kronor, the International Women's League for Peace and Freedom will receive 46,000 and the Christian Peace Movement will receive 20,000 from the government. Among others the Christian Peace Movement and the Leftist League of Swedish Women are receiving periodical subsidies from the Cultural Council.

The activities are otherwise financed through membership fees, collections and campaigns.

The number of active members in the 11 organizations belonging to the Swedish Peace Council is estimated at around 15,000. The figure would rise dramatically if collectively-affiliated organizations were included in the estimate.

The Swedish Peace Council is affiliated with the International Peace Bureau (IPB) in Geneva. It has nothing to do with the communist World Peace Council with which it is often confused due to the similarity in names.

Below are the six largest peace organizations. Women Fight for Peace is still outside the Swedish Peace Council but is on the way to winning membership.

The Swedish Society for Peace and Arbitration, SFSF. Commonly called Swedish Peace. Founded in 1883, probably the world's oldest peace organization. The largest in Sweden, around 7000 members, 70 local groups. Publication: PAX.

"SFSF works for peace on the basis of freedom, economic justice, social equality and personal responsibility within individual countries and in relations between countries. Peace requires a fight against militarism, environmental destruction, exploitation and imperialism."

The International Women's League for Peace and Freedom. Founded 1915 in Geneva by women from different countries and political backgrounds. Affiliated with

the International League for Peace and Freedom. In Sweden since 1919. About 1500 members. Publication: FRED OCH FRIHET.

Stresses its international character. Advisory position in several UN organs. Wants to promote objective information on international issues and promote total disarmament.

Christian Peace Movement. Founded 1919 under the name of the Swedish World Peace Mission. Strongest roots in the free church movement. Source of inspiration for ecumenical U [expansion unknown] week. About 2500 members. Publication: FRED & FRAMTID.

Pacifist goals. Being a conscientious objector no longer a membership requirement. Headquarters in Uppsala. Local divisions in Jonkoping, Orebro, Eskilstuna, Lund, Vasteras, Stockholm, Varnamo.

Women Fight for Peace. Started in 1978 "as a loose gathering of women from different political camps with the goal of increasing awareness of the gravity of the world situation and getting women to realize their responsibility and take an active part."

About 2000 members in 50 locations. Contacts with Women for Peace in the Nordic countries. The society was formed this year but its ambition is to work as a movement "for arms reduction and peace, against militarism and international romanticism."

The Leftist League of Swedish Women. Founded in 1914 as the Society of Liberal Women. In 1931 expanded to cooperate with all women who desire a social development in a leftist direction. Publication: VI MANNSKOR.

Often regarded as the women's group of VPK [Communist Left Party] but that is not correct according to the Swedish Peace Council. However it is the only peace organization affiliated with the communist-dominated Swedish Peace Committee.

Swedish Peace Committee. Started in 1950 as a result of work with the Stockholm Appeal Against the Atomic Bomb. Recruits members mainly from the Workers Communist Party (APK) and the Communist Left Party (VPK). Stellan Arvidson has been a dominant figure for three decades.

Linked to the World Peace Council which has committees in eastern nations. Many union, political and cultural organizations are collective members. Around 3000 active members. Publication: FRED & SOLIDARITET.

The Quakers, Federalists and others. In addition the following organizations are members of the Swedish Peace Council: the League for Christian Humanism and View of Society, the Swedish Physical Culture League, the Central Organization of Swedish Workers, Swedish World Federalists, the Foreign Policy Associations' UN League and the Society of Friends (Quakers).

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CSO: 3109/65

PAPER URGES RECONCILIATION BETWEEN COALITION, CONSERVATIVES

Stockholm SVENSKA DAGBLADET in Swedish 3 Dec 81 p 2

[Editorial]

[Text] Several events have lent relevance to the letter addressed to Gosta Bohman in which Thorbjorn Falldin outlined the conditions that would enable the Conservatives to support a middle-spectrum government: the government's savings efforts and unchanged defense budget limits.

It is quite apparent that the government's possibilities of pursuing an overall policy depend on keeping the promises to the Conservatives. Support cannot be sought from the Social Democrats for the economic policy to which the Falldin government has committed itself.

Anyone can understand that the confidence of the voters in a nonsocialist alternative with the prospect of forming a three-party government in the future depends to a large extent on the promises in the letter being kept. The Conservatives have extended themselves a great deal, which can be seen in their cooperation in the diminished but extremely doubtful value-added tax reduction, thanks to which the Falldin government was able to avoid taking the consequences of its resignation threat.

The wording of Falldin's letter is important, of course, especially since politicians have a special ability to read differences into what seems like plain language to other people. But the spirit is the essential thing, the letter has the nature of a gentlemen's agreement with Falldin also acting as a guarantor for Ola Ullsten.

According to reports the deficit in the budget to be presented in January will rise to 90 billion kroner. Even if, as the government sources indicate, this can be kept to 85 billion it is a substantial increase, especially since the savings will by and large only compensate for the increase in interest payments on the state debt. An even more ambitious program of savings should have been called for.

As appears from an article in the news space in Wednesday's SVENSKA DAGBLADET the government has not lost sight of its goal of 12 billion kronor in savings. That

is good. But it's not good at all if they try to achieve it with the help of higher taxes. Initial plans call for higher item taxes on tobacco and alcoholic beverages.

One should draw a clear distinction between real savings measures and revenue enhancements. In addition one should further distinguish between tax increases motivated by state finances and those motivated by such things as alcohol policy.

The letter from Falldin talks expressly of a savings goal of at least 12 billion kronor. However it also says that a vote should be taken on measures that might come up on the revenue side of the budget.

With a budget deficit that is expected to exceed 100 billion before a change occurs it should be imperative that the 12 billion kronor be taken out in direct savings measures.

There is absolutely no doubt that this is an operation entirely in the spirit of the commitments made to the Conservatives. In addition higher taxes on alcohol and tobacco won't lead to higher revenues for state authorities but are more likely to make the situation worse.

Behind the differing Conservative and middleparty limits for the military part of the total defense budget lie different interpretations of Falldin's letter. It says quite plainly that total defense should be allocated real resources that are roughly unchanged. What the middle-party representatives on the Defense Committee seem to have done is to lay down a one-time savings of 250 million in this year's budget.

SVENSKA DAGBLADET regards it as a national priority to clear up the misunderstanding and create possibilities for a joint nonsocialist proposal on the defense issue, the essential elements of which would be spelled out in the bill to be submitted to parliament next spring.

An editorial in STOCKHOLMS-TIDNINGEN (Social Democratic) made one more appeal on Wednesday for a settlement between the middle and the Social Democrats, meaning a solution less apt to meet defense demands than a settlement between the Conservatives and their former government comrades.

The difference between the middle and the Social Democrats is not as modest as they make out. The Social Democratic limit includes improved draftee benefits for roughly 50 million kronor a year. This must be added to the 405 million differentiating the limits of the Social Democrats and the middle parties.

Thus the Conservatives' new party chairman, Ulf Adelsohn, should as the leader of the biggest nonsocialist party get in touch with Thorbjorn Falldin to clarify obligations in the spirit of the letter.

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CSO: 3109/63

PAPER LOOKS AT STRENGTHS, WEAKNESSES OF ENVIRONMENT PARTY

Stockholm DAGENS NYHETER in Swedish 12 Dec 81 p 2

[Article by Olof Kleberg]

[Text] Concern about the vast gaps between rich and poor, about environmental destruction and the world arms race strongly marked the party program adopted by the Environment Party in Uppsala this weekend. This concern was coupled with a belief in man's idealism and ability to change developments even though it is late, very late.

In many ways the Environment Party is a product of the late 1960's when people woke up from the dream of constant progress. The global insight is linked to a number of proposals to decentralize, activate, purify and limber up Swedish society. There we can note the experiences of the many action groups and local parties of the 1970's.

In the Environment Party's Sweden "economic balance"--e.g. balance between big business and small business, between resources available and consumption--the small scale view, solidarity and equalization would prevail. Man's health and the balance of nature must be placed ahead of material growth, the program says.

Just a party of discontent? Lund researchers Bjorn Fryklund and Tomas Peterson, who have just written a doctoral thesis on "Populism and Parties of Discontent in the Nordic Lands," point out that parties such as Glistrup's in Denmark emerged from the dissatisfaction of the middle class with centralism, bureaucracy and things on a large scale. So far this matches the Environment Party.

But there are differences. The Environment Party did not spring from an interest-dominated discontent or from prejudices but from an intellectual concern.

The Environment Party has a right to be taken seriously--as well as to be criticized. It is no accident that the section on the economy in the program is short and diffuse. It is especially hard in that area to avoid being either right or left.

Realizing a resource-conserving society requires democratic influence over production, it says. Is that a guarantee that a business that wastes resources (or

destroys the environment) will be stopped? Enterprise must be based on both market mechanisms and planning, they say--but what will the mixture look like? The party takes no stand on this eternal problem.

The party wants to restrict free trade but says nothing about how to limit the effects of such a decision on the rest of trade. A 6-hour day should be introduced--but what would that cost?

The Environment Party's big weakness is that it has not taken a stand on when and at what cost these alternatives should be put into practice. Many voters who feel tempted will be forced to wonder.

Alternatives can be good. But it can be dangerous to want to accomplish too much.

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CSO: 3109/63

SWEDISH STUDY ANALYZES NORDIC 'DISCONTENT' PARTIES

Stockholm DAGENS NYHETER in Swedish 7 Dec 81 p 6

[Article by Peter Sandberg]

[Text] Lund--When the parties of discontent in Denmark, Norway and Finland attracted large groups of voters, the Swedish Center Party acted as a "surrogate party of discontent" for the voters who in other Nordic lands got their own parties. That is what Lund sociologists Bjorn Fryklund and Tomas Peterson say in the thesis, "Populism and Parties of Discontent in the Nordic Lands--Studies of Class Activity by the Middle Class."

Now the Center Party has lost a large part of the voters it won with the green wave and as the leading nonsocialist party. The Center Party is by and large back to its 1950 level when the transformation from the Farmers Union to the Center Party began.

Does that mean there is a political vacuum waiting to be filled by the first party of discontent that comes along? The discontent parties in neighboring countries still exist, after all.

"Hardly. The Center Party functioned as a barrier to discontent parties in the period from 1965 to 1975. Since then a great deal has changed. The lower middle class is not as hard-pressed as it was during the record years and other parties have taken up some of the ideas that formed the foundation for discontent parties," said Tomas Peterson and Bjorn Fryklund.

Populism Defined

As far as that goes the Environment Party seems to have attained a very strong position very quickly but if one applies the reasoning of the thesis the Environment Party today hardly has the class basis for becoming a big party of discontent.

The Nordic discontent parties are often called "populist." What is meant by the concept of populism is not always crystal-clear and the term has acquired the character of a political swear word.

In general populism is a reaction against central government, bureaucracy and things on a large scale. Populism often denies that real class differences exist. They divide the population up into "providers" and "takers," with the takers being bureaucrats, upper-level salaried employees and often academic people as well.

Populism is often linked to popular traditions and national feelings that "stand above" ordinary party distinctions.

"Many think the concept is so vague that it should be completely eliminated. We chose instead to try to define populism and formulate a hypothesis as to how and why it arises," said Bjorn Fryklund.

Simple Production of Goods the Basis

According to Fryklund/Peterson the Nordic discontent parties are populist movements. They are based on the simple production of goods and express the class activity of the middle class whose message attracts supporters from other classes.

Before we go any further we should note that neither middle class nor populist are politically derogatory terms in Fryklund/Peterson's presentation.

The lower middle class consists of those active in simple goods production. Simple goods production includes such things as workshops, fishing and farming in which the worker himself owns the means of production and produces through his own labor.

This in contrast to capitalist production of goods in which capitalists own the means of production and the work is performed by paid employees.

"In the classic Marxist analysis the simple production of goods is viewed as a transition form to capitalist production. When its functions are taken over by industrial production it disappears and therefore does not need to be given much attention.

Own Class with Popular Appeal

"We think that is wrong. Simple goods production and with it the middle class keeps finding new niches. It is a paradox that the very symbol of mass production, the auto industry, creates a wealth of simple goods production activities in the form of sales, repairs, service, etc.," said Tomas Peterson.

The authors think a class analysis cannot be done without taking into account the simple production of goods and its performers as something we will continue to have with us under any circumstances.

Fryklund/Peterson's hypothesis is that discontent parties spring up when the middle class is under pressure and therefore acts as a separate class with popular appeal which is directed toward other classes and groups.

"That is what happened during the 'record years' of 1965-75. In an economic development most people regarded as desirable the lower middle class was pinched. The prevailing norm among both nonsocialists and socialists was that increased prosperity should occur via more rational industrial production," said Bjorn and Tomas.

Middle Class Basis

From this the Nordic discontent parties emerged with an ideology that assumed the need for a new party that springs directly from the people, does away with obsolete partisan differences of opinion, etc. It is "us" (the people) against "them" (those in power, often both the state apparatus and big finance).

"We think the class basis for these parties is the lower middle class. Voter surveys show that these categories are strongly overrepresented in the parties of discontent.

"Otherwise their voters are a cross section of the electorate," said Bjorn Fryklund.

In Sweden when this wave came we already had the Center Party. It had its origins in the farmers, had established a bridgehead among small city businessmen, stood apart from economic life and state bureaucracy and had decentralization in its program.

"Without being a populist party--for example it has a strong parliamentary tradition, which populism lacks--the Center Party stood ready to channel a populist wave.

"Today most people recognize that simple goods production will continue to exist, it is even encouraged as one of the ways to solve the crisis. That is one of the reasons why we do not find the same conditions for new parties of discontent today," said the two sociologists.

6578

CSO: 3109/63

STALINIST APK ORGAN: VPK CONGRESS TOOK PARTY TO RIGHT

Lulea NORRSKENSFLAMMAN in Swedish 26 Nov 81 p 2

[Editorial: "VPK Congress Takes a Step to Right"]

[Text] The VPK [Left-Party Communists] Congress is over. It must have left a sour taste in the mouth of every sincere communist. The Congress made no contribution to the development of the communist movement. It gave the picture of a party in ideological disintegration and a party that in the efforts of accommodating different directions of ideas is driven on a constant march to the right. Away from the principal positions that must be the basis for the operation of a communist party.

This ideological confusion also characterized the party leader's explanation of the fact that VPK has at a great rate lost ground among the labor voters. Werner's explanation was that it was due to the fact that the Swedish working class had declined.

One can understand that the reduced confidence among the workers is the concern for a party that wants to call itself a labor party, but this explanation is not right. It has been used earlier by other groups that wanted to reduce the importance of the working class for the continuing development. This attitude has prevailed within the VPK for a long time and has also characterized the party's policy.

One of the reasons for the split in 1977 was the VPK leadership's consistent policy to eliminate the party's proletarian profile in order to attract other groups. After 1977, this line has been carried still further and its consequences are inexorably reduced confidence among the workers.

The VPK leadership deceives itself with its antimarxist thesis. The capitalist society is not on its way to be deproletarized. Quite the reverse, Marx, Engels and Lenin decided that the capitalistic society was to be proletarianized to a much higher degree. That thesis has been verified. The kernel of the working class is the industrial workers in the different branches and various other workers' categories have also entered those branches. New classes have been proletarianized because of the technical and scientific revolution and, on the whole, this does not mean that the working class is reduced but increased.

The Werner explanation is therefore scientifically incorrect. The reduced confidence within the LO [Federation of Trade Unions] groups is, on the other hand, due

to the party's vacillation between issues that at the moment seem profitable, but where the VPK leadership position does not pass the working class test. Therefore a catastrophic uncertainty spreads among the workers regarding the party's position on important principal issues, both domestic and international.

For example. where does the party stand regarding the view of the Soviet Union and other countries within the real camps of socialism? Within the party and during the Congress all kinds of anti-Soviet demonstrations were allowed without any reaction from the party leadership. The Congress "democratic statements" were directed towards the socialist countries to please the people on the right within the party and on the outside as well as the leftists at the Congress. The ambition of the party leadership to try to sit in two chairs demonstrated the most pitiable lack of principle. Something like that cannot arouse confidence among the country's working people who are searching clear answers to current and future issues.

The parties that are in the forefront of the communist buildup in the socialist countries were not invited to the Congress. That underlines the VPK's isolation in international connection.

In the eager strife that the nonsocialist groups use to show their so-called independence, there is an attempt to get a space in the anti-Soviet, antisocialist and anticommunist chorus, which is, of course, when viewed logically, the direct opposite to independence.

The VPK leadership will definitely receive a pat on the shoulder for its bow to the nonsocialists and the anti-Sovietism. But if Werner and his intimates believe that this will break the reduced confidence within the working class and all workers, they will be disappointed.

The forces of the anticommunism and the anti-Sovietism are not happy either after these lines were drawn at this Congress. They will be making constant new proof of the party's "credibility." The current party leadership cannot answer this challenge independently. That is the VPK's dilemma.

9583

CSO: 3109/58

MAOIST PARTY ORGAN REVIEWS VPK CONGRESS

Stockholm GNISTAN in Swedish 4 Dec 81 p 5

[Article by Christer Lundgren: "VPK Took a Small Step Towards Democracy"]

[Text] "It is only natural that if one brings forth a proposal that is not passed, one is not particularly pleased with the results."

This is what Per Kageson, who was the driving force behind the democracy issues at the VPK [Left-Party Communists] Congress, said.

The proposal that Per Kageson did not gain a hearing for, was as follows:

"The party declares its support for the fight for democracy and freedom of speech in the socialistic countries in East Europe."

During the congress debates he criticized, among other things, formulations about "the extension of democracy" in East Europe.

"But there is no democracy. In Czechoslovakia, for example, there is no positive tendency of development."

Nevertheless, Kageson thinks that the Congress statement "For democracy and socialism" was a small--although far too small--step in the right direction, the direction that VPK has been taking since 1964.

"The Congress sharpened the proposed writings further. We who supported the democratic fight in East Europe--maybe 20 percent of the representatives--finally opted to vote for the statement.

The Congress was not any milestone. I judge it as quite ordinary. The views that I introduced have been around within the party for a long time. But as long as the APK [Communist Workers' Party] people carried on, we lay low in order not to split further. And at the 1978 Congress nothing happened.

Local Funds

The word wage earners funds is being eliminated from the vocabulary, and now VPK instead talks about "local trade union investment funds." Broadly speaking, the statement, however, follows the model that the party leadership has proposed with the amendment that the local trade unions decide how the funds will be set up.

The VPK model involves that "public funds" will give capital to "a necessary municipal industrialization program." The regional public funds shall own the local trade union investment funds but these funds will be controlled and utilized "according to the local trade union decision for investment in the company concerned."

With this resolution behind them, the VPK Riksdag's group still has relatively a free hand when the fund proposal set forth by the Social Democrats will be turned down.

Careful Leadership

The new municipal funds will--as so many of VPK's other reforms--be financed through higher taxes on inheritance and property, sale profits, excess of liquidity in businesses et cetera, along with production taxation.

The Congress did not decide on any changes of significance in the party leadership, although the majority of the party leadership is more careful in its criticism of the Soviet Union than the majority of the Congress. Only on one point did the resolution go against the proposal of the election committee, that is when Hans Andersson from Ludvika became a majority member instead of Anders Westberg, Ostergotland. Andersson belongs to the "left-wing" of the party.

Although conditions in the Soviet Union were criticized and on many points the Congress turned against the Soviets' foreign policy, it was maintained that "the socialist countries are a part of the anti-imperialistic main powers."

The motion that China's foreign policy should be condemned was defeated. On the other hand, there was no opposition against VPK's active support of Vietnam and its puppet regime in Cambodia.

The Congress also rejected a motion that any form of collective association of the party organization on all levels with the Swedish Peace Committee cease. The Swedish Peace Committee seems quite open for "Soviet peace policy" and through its veto in Sweden's peace council it has prevented the peace movement in expressing itself against the invasion in Afghanistan.

"The tendency seems presently to be that more and more party members (and perhaps to a still higher extent members of KU [Communist Youth]) join the Swedish Peace Committee. The newly founded committee in Stockholm is, for example, chaired by a member of the VPK," says Lund, a member of VPK, in his motion.

Continued Support

Those who spoke for continued membership at the Congress, maintained that the committee is the only peace organization that stands on an "anti-imperialistic ground" and has broad international connections.

Before the Congress, Lars Werner and Ch Hermansson had described the Swedish Peace Committee to the press as an independent--even if pro-Soviet--organization. So henceforth, the Swedish Peace Committee can count on VPK's support.

The debate on the Soviet psychiatry that was reported in GNISTAN number 48/81 concluded with a congress statement that disclaims the abuse of psychiatry for political and oppressive purposes, but does not point out the Soviet Union especially.

"There are examples that it happens in socialistic countries and in the Soviet Union, among others. This also applies to a number of capitalistic countries, the United States, among others," says VPK.

9583

CSO: 3109/58

'MILLIYET' COLUMNISTS RESERVED FOLLOWING WEINBERGER VISIT

Barlas Commentary

Istanbul MILLIYET in Turkish 5 Dec 81 p 1

[Article by Mehmet Barlas: "We and Weinberger"]

[Text] U.S. Secretary of Defense Weinberger, pursuing contacts in Ankara, is visiting Turkey at a time of crisis for the "Western Alliance." And more important, Ankara and certain West European capitals are conducting their relations amidst problems and friction because of the special conditions of the "transition period" through which Turkey is going. The posture of Greece's new Prime Minister Papandreou, meanwhile, has clouded the future of both the southeastern flank of NATO and Turkish-Greek neighborly relations.

So, for these reasons, a large segment of Turkish public opinion is watching Weinberger's visit anxiously. There are those who seek the basic reason for the visit in some constraint to be placed on Turkey. According to them, the American secretary of defense will force Ankara firmly into position in U.S. Middle East policy in exchange for the promise of more military aid to Turkey. Indeed, there is even a question of basing the American strike force, known as the "Rapid Deployment Force," in Turkey.

In our opinion, any intelligent person who loves his country must share these anxieties.

We should also say, however, that these anxieties have also caused theories without much basis in fact to be voiced.

Weinberger is, of course, discussing in Ankara the military problems of the Turkish-American alliance and the matter of providing more support. It is certain that Turkey is enjoying a more comfortable dialogue with the United States than with Western Europe over the suspension of the pluralist democratic regime in Turkey.

However, Turkey has announced its Middle Eastern policy many times through the most authoritative voices. Moreover, it is clear that the greatest steps towards political and economic cooperation with the Arab nations, members of various political camps, have been taken by the "12 September Administration."

That is, Turkey's Middle Eastern and Israeli policy is not be the American blueprint. The situation being obvious, it is absurd for the United States, even if it asks Turkey for a concrete contribution, to worry about its being accepted.

But let us not forget among all these problems that Western Europe as well as Turkey has an alliance with the United States. All matters are taken up in an alliance. Each nation may try to present its own case and interests to its allies.

Turkey's recent history is filled with countless discussions of this kind.

In this situation, it is just as important to watch the multifaceted developments of world policy as to formulate a theory on the concessions Turkey could make. We ought to raise our interest in foreign policy, especially at this time when certain West European members of NATO are reviving such old organizations as the "Western European Union" and expressing an assortment of ideas on isolating the Common Market from NATO. And we ought to know that foreign policy does not turn on Turkish American negotiations alone.

Moreover, President Reagan's turn-around after the theories about "limited nuclear war" in Europe to propose to the Soviets, "Let us reduce nuclear arming in Europe to zero," has heightened the climate of insecurity.

In short, while the United States itself does not even know what it is saying, it is not for Ankara, at any rate, to spin off in Washington's orbit on the Middle East and other matters.

Teoman Erel Column

Istanbul MILLIYET in Turkish 5 Dec 81 p 8

[Article by Teoman Erel: "Are We Branded 'Naive'?"]

[Text] Does Uncle Sam really see the problem this simply?

An American diplomat, who told the FINANCIAL TIMES that the United States supports the administration in Turkey, said:

"The generals have been very successful from the standpoint of their own goals and it is completely up to them to set the timing. It may be dangerous if they were to act hastily. We are not putting any pressure at all on the military administration in Turkey to set a schedule for the return to democracy."

If the Americans are looking at Turkish-American relations in this spirit they are deceiving themselves.

It all seems so easy when one sets out with this understanding. Uncle Sam would say to Ankara:

--"It is best for you to carry out my desires and support my strategy in the region."

--"Why?"

--"Because I am not particularly insisting that you return to democracy or applying any pressure. You may stay as long as you like."

Whereupon Turkey would say, "Oh, wow. The Americans are terrific. They are not raising difficulties like the Europeans. Let's do whatever the Americans want."

The realities of Turkey, not American pressure or support, will decide when Turkey will proceed to democracy. The military administration has made it clear at every opportunity that it is determined to return to democracy in due time as the Turkish people are inclined. Indeed, it has been pointed out that further announcements on the timetable will be made early in 1982.

From this standpoint, it is necessary that this problem, which is entirely ours, be set at rest in Turkey's foreign relations, relations with the allies in particular.

Turkey is an experienced nation. A quite recent and fresh memory in our national history is now Inonu, a statesman with military roots, conducted marathon negotiations on the "adequacy of military aid" with Churchill who insisted that we enter World War II as soon as possible and how he pulled the nation from the jaws of war.

The generals who are members of the National Security Council and the experienced Turkish diplomats have the ability to assess, with a competence arising from history and extending into the future, the national interests and world and regional circumstances.

Subjects such as military aid, contributing to the Rapid Deployment Force, the Cyprus problem, the Middle East and the failure to fulfill the promise made to Turkey in the Aegean cannot be linked to easy solutions through the flattery of saying, "But we are not pressuring you because you have not restored democracy."

If the Americans want to take advantage of the Turkish administration's reaction to the demands coming from the Europeans which sometimes take on the appearance of "interference," they will be making a mistake.

An appeal to Europe from Ankara while Caspar Weinberger is right in Turkey should be a warning for the Americans.

While the U.S. secretary of defense is holding discussions in Ankara, the Turkish government has announced that it is ready to accept on 7 January 1982 the request to come to Turkey of members of the Council of Europe's Consultative Assembly Political and Legal Affairs Committee headed by its rapporteur Steiner.

As known, the Steiner delegation was to have been a large group coming early in December with power of inquiry. When it became clear that the delegation members would make extensive contacts with the leaders of the closed-down political parties and unionists and would be asking uncomfortable questions about the return to democracy, the Turkish government asked that the visit be postponed.

This postponement had a negative effect on Europe. Some even pondered severing relations. It was said that it might reverse the positive atmosphere which had just emerged as to "synchronization" of Turkish and European timetables. And the numbers were growing of those who contended that the Turkish government's attitude was wrong and that it should reverse the error at once.

Now the Turkish government has again invited Steiner and his delegation "without any prior conditions." The meaning of this may be interpreted thusly:

"Come, contact whomever and whatever organizations you please, make the inquiries you think best."

This message, of course, is not just to the Europeans. The Americans, who, by adopting attitudes such as, "Look, we are not trying to question you and so forth as the Europeans are, we are not so eager to talk with the former leaders," believe they have their finger on the pulse, should also understand Turkey's attitude.

Those who sit at the negotiating table with Turkey should not confuse apples and oranges. Turkey's return to democracy and the mutual discussion of military diplomatic and economic problems and their balance according to national interests are two different things.

If the administration announces early in 1982, as it promised earlier, a timetable to give some idea about a date for elections, it will further clarify this distinction and, by best protecting the national interests in our foreign relations, will further facilitate reaching a solution.

Orsan Oymen Commentary

Istanbul MILLIYET in Turkish 5 Dec 81 p 9

[Article by Orsan Oymen: "Weinberger"]

[Text] Until the early 1980's, the Western defense organization known as NATO was like a train travelling on a single track.

The "American Express" engine was pulling the cars.

Now the tracks have split, and the engines, too.

A "European Express" has been added to the American Express.

The routes of the two trains may diverge occasionally, then come together again. But the guard, the switchman, the conductor are no longer exclusively American Express personnel as they used to be.

As for Turkey's being a passenger on the Western train....

We have a seat on both trains.

But passage on the European Express may have become uncomfortable for us lately.

We may have grown weary of the bossy conductors opening our door, tired of these conductors' tendency to transfer our seat in the second-class compartment to the baggage car.

Rather than ride in the baggage car of the European Express, we may find the first-class compartment of the American Express more attractive.

"Oh yes, has the conductor checked tickets less frequently on the European Express since 12 September? First it was the Council [of Europe], then the EEC Parliament, then Steiner. And finally the arrival of head conductor Hans Dietrich Genscher."

We may be sick and tired of all that.

Coming behind it is the American Express with its generous, understanding and kindly-seeming conductor, Weinberger. His view of Turkey may bring tears to our eyes, we may be touched.

And we may buy a first-class ticket and transfer to the American Express.

I wonder, will our journey be as easy and comfortable as is thought.

Let us not deceive ourselves.

We have not just discovered America, nor America us.

The tune we have heard from the Truman Doctrine to Eisenhower, from Eisenhower to Nelson Rockefeller, to McNamara, to Kennedy, to Johnson, to Nixon, to Carter, to the present Reagan-Haig-Weinberger trio is essentially the same tune. It has just been played with different arrangements.

The unchanging key in which it is played is this:

The basis for every dollar sent Turkey is America's "policemen of the world" philosophy. More than just Turkey, this philosophy extends to America's strategic planning and policy interests throughout the Middle East.

See how Turkish American relations are assessed in the first report prepared by the American Congress Foreign Relations and International [sic] Defense Division [Foreign Affairs and National Defense Division, Congressional Research Service, Library of Congress] after 12 September:

"Turkey was a strong and active mainstay of American strategic goals in the Middle East in the 1950's and early 1960's. At this time when the United States was engaged in actions on behalf of oppressed nations in the Middle East, it granted the United States the right to use American bases on its own soil. Towards the end of the 1960's, however, which was a period of change in Turkey's relations with the Arab world and its northern neighbors, a gradual reduction in its desire to participate in American activities in the Middle East had begun. For example, in March 1980, Turkey staunchly refused our request to make use of bases in Turkey for the Rapid Deployment Force, which is necessary to support American troops in the Persian Gulf and the American military function in the Middle East, and was noticeably determined not to undertake any operation in this region.... American interests in Turkey have been assessed to date in military and strategic terms. The United States has seldom stressed the survival of Turkish democracy in a stable world and the importance of this democracy to the West. Now, the functioning of democracy in Turkey has again foundered on growing internal problems. Time will tell whether the recent military action will be another brief hiatus for the parliamentary democratic system or whether it will dramatically change Turkey's internal political system. The outcome, in any event, will closely affect American interests.

"Turkey needs NATO for its own defense and receives significant amounts of economic aid from both the United States and other NATO countries. In addition, the United States maintains important joint military bases and communications facilities on Turkish territory, enabling it to follow Soviet movements in the Middle East and

thus have a means of guiding its own policy. But the general value of the relations has altered significantly for both sides since the 1950's. Looking at the matter in these terms would require a re-evaluation by American and Turkish policy makers within the developing new framework of the continuity of mutual interests, of perceptions and of these interests." (Report No IB-79084, 19 September 1980.)

Doubtless, "mutual interests" will be "re-evaluated within the developing new framework" in the discussions to be held with U.S. Secretary of Defense Weinberger and Secretary of State Haig, who will follow Weinberger to Ankara.

As far as can be seen, there is nothing different in American interests from 30 years ago:

"To evaluate Turkey as a spring-board to the Middle East."

Turkey's interests, however--as also noted in the report--have changed.

Thirty years ago, Foreign Minister Fuat Koprulu assessed Turkey's ticket on the American Express as follows in the Assembly record by 20 July 1951:

"We believe that defense of the Middle East is imperative for the protection of the West, both strategically and economically. For this reason, as soon as Turkey joins the Atlantic Pact, we are ready to enter negotiations with the parties concerned in order to carry out effectively the role which falls to us in the Middle East and to take together the necessary measures."

The ANATOLIAN AGENCY bulletin on 4 March 1951 began in this way:

"The United States is ready to cooperate with Turkey because this country is considered the key to Middle Eastern oil."

And what about the foreign minister 30 years later?

That is, Foreign Minister Ilter Turkmen of the 12 September government?

This is what he said in response to the unchanged American oil region scenarios:

"Defense of the Gulf is the concern of the Gulf nations."

Turkmen complained of the painful experiences of the 1950's, stressing, for example, that the "necessary lesson was learned from the Baghdad Pact experiments."

What?

He was trying to explain that Turkey has no intention of being conned into policing the Middle East again.

This line was also stressed in the Ulusu government program of 12 September, both in the "Basic Framework of Foreign Policy" section of the program and in the "Relations with the Islamic Nations to Which We Have Deep-Rooted and Historical Ties" section.

It has been 14 months since this program was presented.

Has our attitude changed?

No. No, but during these 14 months we have begun to feel uncomfortable about the conductors on the European Express.

There have been whispered proposals of "Let's transfer to the first-class compartment of the American Express before they transfer us to the baggage car."

Perhaps it is easy to change classes when travelling on the Western train. But the first-class ticket for direct passage is not as cheap as it seems. It also has its "blood money."

Besides, we tried a trip in that class 30 years ago.

And we failed the grade.

8349

CSO: 4654/83

ARMED FORCES COMMANDER: 'ZONE' MORE NEEDED THAN EVER

Helsinki HUFVUDSTADSBLADET in Swedish 17 Nov 81 p 4

[Text] The commander-in-chief of the defense forces, Lauri Sutela, is disturbed over the theory that a limited atomic war is possible. But he points out that concern over atomic weapons should not lead one to thinking that conventional defense measures have no significance. General Sutela opened a defense course in Helsinki on Monday. The course is the 82d which has been held.

Sutela said that attempts to develop a theory of limited atomic war can have catastrophic consequences. Even a warning attack with atomic weapons can lead to the conflict developing in a manner which one had not taken into consideration.

The activation of the peace movement, seen against this background, is an understandable phenomenon. The citizens are quite naturally disturbed, for example, by an increase in the arsenal of medium-range missiles in Europe. It is natural that public opinion, above all in the nonatomic countries, continually reminds the great powers that the responsibility for keeping the peace rests on them.

However, the understandable anxiety regarding atomic weapons should not lead to the supposition that conventional means of defense are meaningless. This involves particularly nations on whose territory there are no atomic weapons and who have the right to assume that the weapons of mass destruction will not be used against them, the commander-in-chief pointed out.

The Proposed Plan

Sutela is of the opinion that President Kekkonen's idea for an atomic-free zone encompassing the Nordic countries has become all the more germane, especially since an eventual increase of atomic weapons in the Baltic Sea has recently been discussed.

Finland bases its views in regard to a Nordic atomic-free zone on its judgment that such an arrangement, in which the atomic-weapon powers would participate as guarantors, would exercise a stabilizing influence on the area near Finland. It is to be hoped that the talks regarding European atomic weapons which will begin at the end of this month will serve to promote the idea of an atomic-free Nordic zone, regardless of how fixed the positions in this matter may now be.

Finland Not a Target Area

Sutela said that Finland's possibilities for keeping out of conflicts are good at the outset. The country as such is not the object of an atomic war and does not lie in the main line of a great war.

"The forces which eventually would be directed against us are limited, and we can tenaciously defend ourselves with the forces we can mobilize," said the commander-in-chief.

"If our own forces are inadequate to repulse an attack, The Friendship and Security Pact naturally offers us various possibilities for supporting our own measures."

The defense course is designed for officials from the public sector, the economic life, people from the various organizations and journalists. The course, which will last 3-1/2 weeks, has 38 participants.

6893

CSO: 3109/57

DEFENSE MINISTRY OFFICIAL DISCUSSES MILITARY SHORTCOMINGS

Helsinki HUFVUDSTADSBLADET in Swedish 20 Nov 81 p 21

[Article by Bez]

[Text] Today, Aimo Pajunen, 50 years old, does not want to discuss personal problems but rather personnel problems. The division chief in the Ministry of Defense, who finds it difficult to meet the personnel requirements of defense with the 38,000 recruits he can now only count upon yearly, regards pessimistically the prospects of the nineties with less than 30,000 conscripts. Even now we need more recruits, not least to cope with the increasingly sophisticated armament of the technical weapons.

Aimo Pajunen is a happy person, privately, but he appears a little worried when the conversation is directed to the situation of the defense establishment.

"Of course, a shadow is cast over our daily work here in the ministry when we don't really know what our defense policy will be if the recommendations of the third parliamentary defense committee are not followed. Both the minister and the commander-in-chief have made serious appeals in the matter. I agree wholeheartedly, on the basis of the experience I had as general secretary in the first committee and as an expert on the third. With so much effort that has been made to attain the necessary political promises which are the result of the work of the parliamentary defense committee, there is every reason to use those results.

Is the current trend of the peace movement adversely affecting the questions of appropriations?

"I believe it is creating a somewhat less favorable atmosphere. Personally, I think the peace movement is a fine thing, and its goal is naturally identical with that of our security policies, where our defense has an important role. It is therefore quite unnecessary and stupid to come from that direction with anti-defense slingshots. As if our defense forces were some kind of a threat to world peace....

Aspo Councilman

The division chief's job is long-range planning, budget questions regarding defense personnel, materiel, real estate, buildings. Training questions do not concern the ministry; that is the responsibility of General Sutela.

The division chief is greatly involved in relations with the government departments and even the smallest local administrations, down to the people in the municipalities where the defense establishment has its garrisons and depots.

"I have personal experience with municipal politics," the general says with an ironic smile. "I was on the Aspo council for a time when I was chief at Ranko outside Kotka. But seriously speaking, relations with the municipalities where we have large bases are consistently good. I have just come from an inspection trip to Juupajoki, where our depot is the community's largest employer and where the chairman of the council is one of our officers. Also in Korpo, where people were skeptical when the Gylto garrison was first established, relations between the Finnish-speaking military and the Swedish-speaking islanders is without friction.

Lack of Conscripts and Cannons

The personnel question is, as indicated, troublesome. Light was shed recently upon this in regard to the navy, in another 50th birthday interview with Vice Admiral Jan Klenberg.

"It is partly an appropriation question and much more so a population question. While about 130,000 Finns were born annually during the forties, the number in the middle of the seventies is down to 57,000. Since half of them are girls, it won't even be enough for 30,000 recruits into the nineties. Officers are needed. The parliamentary defense committee proposes 1,000 men during a five-year period. And that is actually on a third of the need!"

The situation is also bad in regard to materiel.

"The necessary acquisitions for the air force and the navy have left the army in a jam. The most serious gaps are in regard to field artillery--we are still using guns from 1902!--armored equipment as well as vehicles necessary for the mobility of our defense forces."

Outspoken

All this is what one would expect Pajunen to say in his capacity as division chief. Then you expect him to say something controversial and unconventional in his role as Aimo Pajunen. But there is nothing this time.

The personal problem mentioned in the beginning could just be that notorious outspokenness, for which, you will remember, he received an official reprimand in February after some strong statements about Norway. This outspokenness has caused him to become highly esteemed by the news media as an unusual military man who dares give his personal opinions, and whose participation makes a TV discussion lively and interesting.

The 50-year-old young lieutenant general, who in his rapid career did not even have to wait 3 years with the single general insignia on his collar before being promoted to his present rank, is a quick-witted, knowledgeable and charming gentleman. It was most probably in 1969-70 that he attracted the attention of the media and the public in connection with SALT, when he was loaned almost by mistake to the political division of the Foreign Ministry.

Then, he became the general secretary of the Defense Council, chief of staff for the southwest military district, chief of the Ministry of Defense's section for military matters, and finally the ministry's powerful division chief.

Jokester and Heavyweight

After he became a general 5 years ago, he has been regarded as one of the aces in the game for commander-in-chief, which at times can be just as hard-fought as a presidential contest. Or should one call him a jokester, in view of his disposition towards humor?

He declines as usual to speculate to what degree this test manifestation of his outspokenness has harmed him. Since then, generally speaking, in public he has been, to use his own jargon, "a gadfly." Therefore, it is no surprise to the interviewer that he in a similarly friendly manner refrains from commenting on other sensitive subjects, such as, for example, a certain submarine, or its analogies in Finnish waters.

The lieutenant-general personally likes to move about in Finnish waters, not in a submarine but in an H-boat. He has been an enthusiastic sailor since his days as a naval cadet, with his wife Eija, an equally enthusiastic crewmember. This summer they slept on land only 2 nights in 4 weeks. The constantly wind-blown, hardly military hairstyle of the division chief is like a greeting from the bays.

The cheerful and extroverted couple also move busily in Helsinki social life, particularly its international sector. Foreign ambassadors and native bigwigs listen with respect to what our boyish general has to say about security policy. A rare and charming mixture of the jokester and the heavyweight.

6893

CSO: 3109/57

MEASURES IN BRUSSELS AGAINST FOREIGN IMMIGRANTS

Vienna DIE PRESSE in German 14 Dec 81 p 10

[Article by Michael Stabenow: "Belgium, Too, Now Wants To Stem the Flow of Immigrants"]

[Text] Brussels--Brussels, the capital of Belgium, is resisting the increasing "settling of too many foreigners" in many of its districts. What at first looked like a solo effort by the Schaerbeek district, in the northeastern part of Brussels, is now extending farther: 5 of the 19 autonomous districts of the commonwealth of the city of Brussels (a good one million inhabitants) are now refusing to register foreigners who are not EC citizens and have not had a residence in Belgium up to now. Belgium and Luxembourg are the two EC countries with the largest proportion of foreigners: about 9 percent of the Belgian kingdom's nearly 10 million inhabitants are foreigners, and Switzerland is the only European country with a higher percentage. By this time, about every fourth inhabitant of Brussels is a foreigner, as is in some districts almost every second inhabitant. The mayors of the 19 districts of Brussels called upon the government to exhaust the possibilities of the Foreigners Law of 1980 completely. That law, which in itself is a liberal one, provides a legal basis for refusing to allow foreigners from non-EC countries with their entry or work permits. It is a regulation which is primarily intended to affect the approximately 100,000 foreigners who are staying in Belgium illegally.

The mayors accuse the government of having shifted its direct competency on questions regarding foreigners onto the respective districts. Of the 413,000 unemployed persons (about 10 percent of the working population) who were counted in Belgium in early December, 14 percent are foreigners, and in Brussels the proportion of foreigners even amounts to about 40 percent. That not only constitutes a burden on the district treasuries, the mayors went on to say, but it also makes the social integration of the foreigners considerably more difficult.

A controversial measure implemented by the Schaerbeek district (about 35 percent foreigners) got things started. Registration in the official residential register has been refused to 120 foreigners there since September. Spouses and children of persons already living in the district are included in that group, and so are recognized political refugees. On the other hand, according to information from a citizens initiative against race discrimination, American and Swiss citizens have been registered in that district.

The mayor of Schaerbeek, Roger Nols, a member of the French-speaking FDF [Democratic Front of Brussels French Speakers], a language-based party, got into the crossfire of criticism in 1975, when he--ultimately in vain--tried to push through separate windows for French speakers, Flemings (Dutch speakers) and foreigners in the district offices.

Already, every second child being born in Brussels has foreign parents. The Christian Democratic politician Noel de Burlin is afraid that, even if a complete stop is put to the influx of foreigners, the proportion of the foreign population of Brussels will amount to 40 percent in the year 2000 just because of the natural growth rate.

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COMMENTS ON CHURCH'S OPPOSITION TO ABORTION

Athens I KATHIMERINI in Greek 19 Nov 81 p 10

[Article by S. Alexiou: "Hospital or Prison?"]

[Text] It appears that the church will react in every way to the law permitting abortion. In conversations and sermons members of the clergy and theologians are stressing that abortion is a crime, a murder, and that it is preposterous to abolish capital punishment on the one hand while legalizing abortion on the other! Such is also the official position taken by the Church of Greece.

With all due respect to the church, we disagree with it on this issue. In our humble opinion this is not the correct way to solve such a serious problem and before we define our positions--which are not ours alone but also those of a religious but not fanatical world--we bluntly state that we are against abortion because it is an act which degrades the human being and brings it to the lowest level of values. But this is not the issue. There is no objection for refusing to accept it. The issue is whether abortion is legal or not. Therein lies our disagreement and we insist that the church has no place in the criminalization of the issue and should not be concerned with what the state will or will not do. Whether abortion should be subjected to strict punishment or not is a matter for the state to decide. The church should be concerned only about putting an end to abortion. This should be its objective and it should exert all its efforts toward this objective and not against the criminalization of abortion. Narcotics, adultery and so many other things are also forbidden. But they do take place. Abortion also is forbidden yet the doctors speak about thousands [taking place] each year. If the threat for punishment ceases to exist, what will the difference be? None.

"The church," says the great father, theologian and orator Ioannis Khrysostomos, "is not a prison but a hospital; it treats; it does not punish." Orthodoxy does not deal [with violations] according to law but according to case. It sees people as individuals with a free judgement and will, not as a group or herd. All people cannot be included in general rules. This, moreover, is the meaning of [the management of the world by] Providence. It is the prudent course our church has established. According to Providence each event undergoes self-examination and in relation to the conditions of its occurrence. Man himself is asked to repent but only when he himself admits that he has sinned. Thus, moreover, is the function of confession. Man is even free to repent or not. Each one has his

own personality and each differs from the other. For this reason there is discrimination since the general rules are difficult to implement.

All cases have their own particular aspects. If such were not the case, how could the abominable thief on the cross enter paradise first? And Saint Dionysios who harbored the killer of his brother by lying to the authorities, how could he become one of orthodoxy's great saints?

The Greek Orthodox Church does not criminalize sins. This is a function of the state. The church's duty is to enlighten the faithful to avoid abortions, to avoid being adulterers, thieves, sycophants, unjust. It is up to the state to decide if they should be punished for such sins. The church has the right to take its own measures in order for its faithful to conform to its teachings but not to advocate or dictate the imposition of penalties. Orthodoxy solves by itself its own spiritual problems and does not make its cases part of the state laws.

Fifteen years ago when Pope Paul VI condemned in an encyclical all contraceptives, I asked our great Patriarch Athinagoras about orthodoxy's position. He told me: "Orthodoxy does not release encyclicals, does not generalize; it solves the problems of its faithful through confession." This patriarchal apophthegm affirms that our church does not coerce but convinces; does not judge but only counsels. Only Christ has the right of judgement. He gave to the apostles and their successors the right to be all powerful but not to judge. Only the King of Future Judgement has this right and no one else. Cadres of the church often make the mistake of abusing this power when they refuse to say the "last" prayer for the dead, etc. This, however, does not mean that the practice is correct. Such systems are not orthodox, are not at all related to the traditions of the Eastern Church. Finally, the Greek Church cannot speak about orthodoxy and behave like the Vatican--the Vatican of the past, moreover.

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BIOGRAPHIC INFORMATION ON TOURIST ORGANIZATION'S KYRIAZIS

Athens I KATHIMERINI in Greek 21 Nov 81 p 8

[Text] Kostas D. Kyriazis, the new director general of the Greek Tourist Organization [ECT], was born in Athens in 1922 and is a journalist and author. He studied law at the University of Athens and received his degree in political and economic science with excellent grades.

While very young he took up journalism and served as co-publisher and co-editor of the [old] newspaper ETHNOS. [Note: The old, well-known centrist-liberal ETHNOS ceased publication some 10 years ago. It reappeared last September as extreme leftist.] He has interviewed international personalities and has written editorials on international policy. Being deeply democratic, he had developed close friendly ties with the late Premier G. Papandreou and with the present Premier A. Papandreou long before the period of the "Irreconcilable Struggle" by the then ETHNOS [1963-64] during which he promptly sided with G. Papandreou against the rebellious apostates.

When dictatorship was declared on 21 April 1967 he voluntarily resigned as editor of the paper and participated in the struggle against the dictatorship with Kanellopoulos, Bakopoulos and Mavros who represented the political world. He returned to the paper in 1969 when censorship was lifted and assumed its editorship alone. The courageous struggle of ETHNOS from 1 November 1967 to 24 March 1970 led him and his co-publisher--former minister I. Zigdis, Oikonomidis and Kapsis--to the military court which sentenced them to more than 3 years' imprisonment and imposed ruinous fines to the newspaper which closed down on 4 April 1970. Kyriazis remained in the Korydallos prison until the end of his sentence following which he resumed his activity against the dictatorship and participated in the Polytechnic School events of September 1973.

As an author he dealt with the Byzantine era in which he developed interest early in life. After many years of study he published his first historical novel (fictional biography) under the title "Konstandinos Paleologos." There followed "Theofano," "Vasileios o Voulgaroktonos," "Irakleios," "Konstandinos O Megas," a modern novel, "I Maniatissa," "Romanos D," "Diogenis" and "Agni Franga."

He was awarded the first State Prize for fictional biography and in 1974 the Athens Academy Award for his writing. He speaks English, French and Italian. He has traveled abroad extensively--in Western Europe, North and South Africa,

Syria, Lebanon, Iraq and the United States usually as guest of the governments. For his activities during the German-Italian occupation he was awarded the Superior Commander of the Yugoslav Flag, the Italian Republic Merit Commander, the United Arab Republic Merit Commander, the St. Mark's Commander and the St. Andrews Supreme Commander.

He has been a member of the Association of Greek Writers for the past 15 years. In September 1974 the government of National Unity appointed him chairman of the Educational Services Committee and served his full term.

He is married to Artemis, nee Lianopoulou, and has two sons--Dimitri and Nikos. Nikos holds a Ph.D in economic sciences from the University of Bonn and works in the Economic and Monetary Research Section of the European Parliament.

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BRIEFS

IRAQ AIRCRAFT REPAIRS--Iraqi aircraft will be repaired in Greece. The Greek government accepted Iraq's relevant proposal and the subject is in its final [negotiation] stage. All related issues were discussed in detail during yesterday's conference between Deputy Minister Giannis Pottakis and Iraqi Commercial Attache Esam Hussein. D. Papanikas and A. Filippou, president and vice president respectively of the Greek Aviation Industry administrative council, participated in the negotiations. This new form of cooperation is within the framework for closer contacts and relations initiated during the recent talks between Iraq's Vice President Aziz and Premier An. Papandreou. [Text] [Athens I KATHIMERINI in Greek 28 Nov 81 p 77 7520

INDUSTRIAL DEVELOPMENT BANK'S MOUSOURIS--Sotiris Mousouris, deputy director of the UN Center for Multinational Companies, is the new deputy director of the Hellenic Industrial Development Bank. He was born in 1935 in Komotini and received his degree in law (1957) and in political and economic sciences (1959) from Athens University. He served in the Ministry of Justice and became a licensed lawyer in 1960. He did postgraduate studies in Boston and received his doctorate from the Harvard School of Administrative Management. He specialized in subjects on international trade and exports of Greek industrial products. He participated in many UN missions to many countries and has published articles on economic and legal subjects on foreign investments and trade. He has lectured in universities and organizations in many advanced and underdeveloped countries and represented the UN in a number of international congresses. [Text] [Athens I KATHIMERINI in Greek 21 Nov 81 p 8] 7520

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